

INDIAN STATES' OPIUM COMMITTEE 1927—1928

VOLUME IV.—REPORTS

FOR THE STATES OF

ALWÁR,	DHOLPUR,	JODHPUR,
BANSWARA,	DUNGARPUR,	KARAULI,
BHARATPUR,	JAIPUR,	KISHANGARH,
BIKANER,	JAISALMER,	KOTAH,
BUNDI,	JHALAWAR,	MEWAR.



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REPORT FOR THE ALWAR STATE.

*Rao Bahadur B. SARDAR SINGH, M.B.E., Revenue Minister,
is the Committee Member representing the State.*

A statement containing the information required on the Terms of Reference was placed before the Committee by Rao Bahadur B. Sardar Singh. As no opium is produced in the State, and there are no stocks of old opium except 11 maunds held by the State and stored in their warehouse, the Committee's discussion has been confined to the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

(1) The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 20,000 to 25,000 chests, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible. The assistance required in this connection from States which consume but do not produce opium would be limited to an agreement to purchase from the stocks so collected the opium that may be required from time to time for their internal consumption.

The Committee understand that the Alwar State is ready to co-operate with this scheme, should it be brought into operation, by purchasing from the central godown the opium required for internal consumption in the State, subject to the following three conditions being fulfilled:

- (a) the authority responsible for purchasing and re-selling the opium should make no profit on the transaction;
- (b) the price at which the opium is sold to the States should not exceed the cost of producing opium in Central India or Rajputana by cultivation;
- (c) the price should not in any case exceed Rs. 15 per seer *ex-godown* (*i.e.*, including all charges except freight to destination).

(2) It is estimated that a period of something like 10 years must elapse before the stocks of old opium will have passed into consumption. After that period the question will arise as to the means by which the States which consume but do not produce opium shall obtain the opium required for their internal consumption. In this connection the Government of India have suggested that States should receive their supply of opium at cost price from the Ghazipur Factory. The President stated that the present cost of opium from the Factory is Rs. 26 per seer. This is considerably greater than the present cost of opium obtained in Central India and Rajputana. It is hoped, however, that the cost,

Ghazipur opium will be reduced, when the present large accumulations of stocks at the Factory have been diminished. Moreover the present price of opium in Central India and Rajputana is artificially low, being governed by the fact that there are very large stocks of opium and only a small market available for those stocks. Consequently there must, in any case, be an increase in the cost price of opium in Central India and Rajputana after the present stocks of old opium have ceased to exist. It is anticipated, therefore, that the disparity in price between the cost of Ghazipur opium and the cost of opium in Central India and Rajputana will be much less at the end of about 10 years than it is at present.

The Committee understands that the Alwar State is ready, after the old stocks of opium in Central India and Rajputana have been exhausted, to obtain the opium required for internal consumption in the State from the Ghazipur Factory, provided that the cost of opium from Ghazipur does not exceed Rs. 20 per seer, and that it is not unsuitable to the taste of consumers in the State. If the cost exceeds Rs. 20 at the outset, or is subsequently raised above Rs. 20, the State will be free to make its own arrangements for producing opium or obtaining it from elsewhere.

(3) The third question discussed was the possibility of enhancing taxation upon opium in the State. The consumption in the last three years has been as follows:—

	maunds	seers.
1924-25	24	5
1925-26	25	18.
1926-27	24	24
Total	74	7
Average	24	28.

This represents, in a population of 7,01,154, an average consumption of 14 seers per 10,000.

The present selling price of opium is Rs. 60 per seer. The State obtains Rs. 18 per seer as duty, equivalent to Rs. 17,802 on the average consumption of 24 maunds 28 seers, in addition to a revenue from license fee which amounts under the present contract to Rs. 28,000, or nearly Rs. 30 per seer. The total realizations are thus nearly Rs. 46,000 annually. The cost price to the contractor (purchasing from Chitorgarh) is stated to be Rs. 10 per seer.

Assuming that the selling price were raised to Rs. 100 and that the State's revenue from duty and license fee then amounted to Rs. 70 per seer, and assuming that this would reduce consumption to 16 maunds (equivalent to about 9 seers per 10,000), the realizations would then be Rs. 44,800. There would thus be a slight decrease in the State's opium revenue.

The Committee understands that the State is nevertheless prepared to enhance the selling price of opium in the State to a degree corresponding as nearly as possible with the selling price in

British India, provided that the enhancement is carried out by slow degrees and that it is carried out to the same extent by the States whose territories border on that of Alwar.

(4) The Member representing the State raised a few subsidiary points in the course of the discussion, which are mentioned below.

A. The Punjab Government levies upon all charas imported into the State a duty (which is in fact a transit tax) of Rs. 60 per seer. The consumers of charas in the State are thus taxed for the benefit of the Punjab. It is submitted that the levy of this duty by the Punjab Government is inequitable and inconsistent with modern standards of taxation, and that the States who are asked to make sacrifices in the interest of the opium policy of India as a whole should in return obtain relief from the duty on charas.

B. It is suggested that the States should in future be consulted with regard to any changes in the law or rules relating to opium in British India which seriously affect the States, before such changes are effected.

C. It is suggested that when opium is supplied to the State from the central stocks or from Ghazipur the counter-signature of the Political Agent on import permits should be dispensed with. It is desirable also that the State should be guaranteed a reasonably prompt compliance with indentures for opium.

D. The Alwar State is not at present in control of opium arrangements in the Nimrana Estate. It is essential under modern conditions that the opium arrangements of feudatories should be in the hands of the suzerain, provided that reasonable compensation is given to the feudatory for any loss of revenue so incurred. In order to secure complete efficiency in the opium arrangements of the State it is necessary that an early settlement on these lines should be effected with the assistance of the Political Agent.

The Committee records its full agreement with these suggestions.

J. A. POPE, *President.*

AZIZUDDIN AHMAD,

G. S. HENDERSON,

SARDAR SINGH,

} *Members.*

Dated Alwar, the 2nd March 1928.

Accompaniment to Alwar State Report.

Information regarding the Terms of Reference of the Opium Committee so far as they concern the Alwar State.

I. (2) (i) (b) *Revenue other than land revenue derived from internal consumption.*

(b) The total amount of annual revenue derived from internal consumption of Opium in the shape of duty and license fee is about Rs. 45,000. (Statement as required by the Appendix is attached).

(ii) The proportion that the total revenue of all kinds from Opium bears to the total revenue of the State.

(ii) The proportion of the total revenue of Opium to the total revenue of the State is 1/122.

(iii) Expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of the arrangements for such control.

(iii) The expenditure of the Excise staff is Rs. 11,112 per year. In addition to this the Police force also helps the department in the detection and prevention of Excise offences. (Detailed Statement is attached as required by the Appendix).

(v) Loss of revenue due to smuggling of opium from outside the State.

(v) No figures available.

(vi) The present cost and selling price of opium, the possibility of gradually raising the latter and the effect upon the State's finances of such a policy,

(vi) The present cost of opium is Rs. 10 per seer and the selling price is Rs. 60 per seer.

There is a risk of State finances being affected adversely if the selling price is enhanced. (Statement of the present cost price required by the Appendix is attached).

(vii) The present sources of supply and the possibility of meeting the demand in the first instance from stocks held in the States under consideration taken as a whole, and ultimately from Ghazipur, with special reference to the financial results of such a policy so far as these do not fall under any of the heads mentioned above.

(vii) The present source of supply is the open market at Chittor. There is a small stock of old opium which can be used if made fit for use by the Ghazipur Factory.

Ghazipur may take the place of Chittor for the supply of opium after the question of cost price has been fully considered.

The change is bound to affect adversely the finances of the State if the prices are higher than those at Chittor.

II. (i) The manner in which opium is used, the purposes for and occasions on which it is used, the extent to which it is used and, in particular, to which it is administered to children.

II. (i) Opium is generally taken in small lumps by the State people.

It is also used for medical purposes by local Vaid and Hakeems. The total amount of annual consumption is about 24 Mds.

It is also administered to children in very small quantities, especially in the Winter season.

(ii) *The forms (ball, biscuit, etc.), in which opium is used in the State.*

(ii) Ball opium is used in the State.

(iv) *The possibility and desirability of effecting a substantial reduction in the amount of opium consumed in the State, the means (increase of selling price or otherwise) by which this could be effected and the financial or other obstacles to such reduction, in so far as these have not been dealt with under any of the heads above.*

(iv) The consumption of opium in Alwar State is much less than that in the adjoining States and Provinces as would appear from the statements supplied by the Government of India but a further reduction can be effected by increasing the sale price which is likely to affect adversely the finances of the State to some extent.

III. *Stocks of opium in the State, their quantity, by whom they are held, their value, the extent to which they are already under State control and how best they could be disposed of.*

III. Eleven maunds of old opium is held in stock by the State.

It may be sold to consumers if made fit for use at Ghazipur Factory.

IV. *Smuggling out of the State.—Its causes and prevalence, the preventive agencies in existence, their present effectiveness and the possibilities of their improvement.*

IV. No case of smuggling has come to light.

The present detective staff is sufficient.

V. *Purchase from Ghazipur.—The advisability and practicability of the purchase of opium by the States from Ghazipur at cost price. How far the inhabitants of the States would be prepared to consume Ghazipur opium and whether Ghazipur could produce opium suited to their taste and needs.*

V. The people of this State have been used to the Chittor opium for a long time, and Ghazipur must produce opium similar to Chittor for some time at least. The change if any should be gradual. The cost price of Ghazipur opium should be determined.

N.B.—Other points have not been touched as they do not concern the Alwar State.

Statement under head I (2) (IV).

	Rs. A. P.
Cost of Opium per seer	8 0 0
Custom duty of Udaipur State per seer	1 8 0
Commission to merchants per seer	0 2 0
Railway freight	0 6 0
TOTAL	10 0 0

Statement showing the strength of Excise staff employed by the Alwar State.

No.	Designation of Officer.	Annual Pay.	Function.
		Rs.	
1	Chief Excise Officer	2,400	Incharge of the Department.
2	Inspectors and Girdawars 7	3,840	Inspection and detection.
3	Warehouse Officer	600	Incharge of Warehouse.
4	Head Clerk	600	Office Work.
5	Reader	300	Do.
6	Nazir	240	Do.
7	Record Keeper	240	Do.
8	Abalmad	240	Do.
9	Nigran	120	Detective Work.
10	Orderlies 2	168	
11	Orderlies, Inspectors and Girdawar 7	588	Detection and prevention.
<i>Menial Staff.</i>			
12	Dak men	84	
13	Farrash	84	
14	Bastabardar	84	
15	Guards of Warehouse 4	336	
16	Khalasis 2	168	For weighing opium in Warehouse.
17	Waterman	96	
18	Sweeper	24	
19	Contingencies	900	Stationery and printing charges, etc.
	TOTAL	11,112	

Statement required under head I (2) (i) (b).

	Rs.
1. Cost price of opium per seer	10
2. Duty charged per seer	18
3. License fee per seer	28
TOTAL	56

REPORT FOR THE BANSWARA STATE.

Mr. ZALIM SINGH KOTIARI, Diwan of Banswara State, is the Committee Member representing the State.

A Memorandum on the Excise Administration of Opium in the Banswara State, supplied by the Diwan on behalf of the Darbar, is recorded by the Committee as an accompaniment to this report.

Poppy cultivation is permitted in the State for the production of opium for internal consumption only. The cultivation has averaged in the last five years 177 acres and the output 35 maunds 30 seers annually. There are no stocks of opium in the hands of merchants or private persons. The opium in possession of the Darbar amounts to 291 maunds 37 seers at varying degrees of consistency, including 136 maunds stated to be held at Jaora but not yet imported.

The Committee's discussion has been mainly concerned with the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 25,000 to 30,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible.

The consumption in the Banswara State was 72 maunds 2 seers in 1926-27, representing in the population of 190,362, a consumption of 151.4 seers per 10,000.

The Banswara Darbar are prepared to assist the scheme outlined above, should it be brought into operation, by reducing their present cultivation by about 50 per cent. to not more than 100 acres. They will purchase from the central stocks the opium required for internal consumption in the State, as soon as the stocks now in the Darbar's possession are exhausted, and will keep in reserve the opium produced in the State from 1928-29 onwards, the object of continuing this production being merely to meet the demand of the State which will arise after the exhaustion of the central stocks, and also to maintain the skill of poppy cultivation in the State. This agreement is subject to the following provisos:—

- (1) that the opium of the central stocks is of equally good quality with that produced in the State;
- (2) that the price of the opium sold from the central stocks, including transit and other miscellaneous expenses will be less than the cost of production in the State; and

(3) that the Darbar will be furnished with an annual statement of sales and balances of stock in the central godowns.

2. The Committee then discussed the suggestion of the Government of India that the States should, after the stocks of old opium are exhausted, obtain their supplies of opium from the Ghazipur Factory.

The Banswara Darbar are not prepared at present to agree to purchase opium from the Ghazipur Factory, after the old stocks in Rajputana and Central India have been exhausted, as in the Darbar's opinion their own soil is better suited to this cultivation and gives a good outturn, and requisition from Ghazipur would involve unnecessary expenditure and trouble.

3. The third question discussed was the possibility of enhancing the taxation and retail sale price of opium in the State and the probable financial effect of this policy.

The consumption in the State averages 151.4 seers per 10,000 and amounted in 1926-27 to 72 maunds 2 seers. The State realized by opium taxation in that year Rs. 49,757 (or approximately Rs. 17 per seer of consumption), this revenue representing the difference between the cost price of the opium and the retail sale realizations. The opium is retailed by State servants. The present cost price is stated to vary from Rs. 10 to Rs. 12 per seer, and the retail sale price is Rs. 26-10-8 or 3 tolas per rupee.

The Banswara Darbar agree generally with the policy of "maximum revenue from minimum consumption", but consider that the policy must be limited in its application by the peculiar conditions in the State. The consumers are mostly Bhils who are unable to pay very high prices. Enhancement therefore must be according to the means of the poorer subjects. If, however, all Darbars agree to this policy, efforts will be made to raise the selling rates of opium in the State; and in particular in border shops the selling rates will be raised to a degree corresponding as nearly as possible with those in force in adjacent British territory or neighbouring States.

This agreement is subject to the provisos,

- (1) that the enhancement is carried out by gradual stages;
- (2) that the same price is enforced in all the neighbouring States; and
- (3) that the Darbar are satisfied that the enhancement will not cause undue hardship to State subjects.

Assuming that it might be possible under these conditions to raise the selling price ultimately to Rs. 100 per seer (although the Darbar do not necessarily endorse this assumption), which might give the State a profit from taxation of Rs. 70 per seer, and assuming that the increased price caused a reduction in average consumption to 50 seers per 10,000 equivalent to 952 seers annually,

the total opium revenue would then be Rs. 66,640 compared with the present figure of Rs. 49,757.

J. A. POPE, *President.*

G. S. HENDERSON,

AZIZUDDIN AHMAD, } *Members.*
ZALIM SINGH KOTHARI,

Dated Indore, the 16th April, 1928.

Accompaniment to Banswara State Report.

A Memorandum on the Excise Administration of Opium in the Banswara State.

Before the existing arrangements of Excise Administration in regard to opium in the Banswara State, which have mainly been formulated to give effect to the policy advocated in the 1912 Hague Opium Convention, are explained, it seems necessary to recapitulate the salient features of the course of present investigation, so that it may be clearly visible how far the measures the State has adopted have rightly succeeded.

His Excellency the Viceroy, in his speech delivered at the Opium Conference at Simla on the 26th May 1927, pointed out that the Government of India had pledged itself to the undermentioned international undertakings:—

- (1) that India is pledged to the ultimate suppression of opium smoking;
- (2) that the Government of India are bound to effect the limitation and control of export of opium, so that none may reach other countries without the consent of their respective Governments;
- (3) that the smuggling of opium to the far East is to be prevented; and
- (4) that effective measures are to be taken to prevent illicit traffic in raw opium.

His Excellency, in the course of his speech, further observed that in the Indian States, taken as a whole, there were enormous stocks of opium for which there was at present no legitimate outlet and that there was an extensive cultivation of the poppy in the States, retarding the absorption of those stocks, and suggested consideration of a policy, whereby cultivation of poppy might be totally stopped in the States. . .

The Darbar are glad to state that in 1921-22, when the International League of Nations desired the Government of India to adopt a uniform system of Excise Legislation for India, the Laws and Rules relating to opium and its admixtures on the basis of the

League of Nations' Draft were passed and introduced in the Banswara State, and these have since been working in full force.

No private trade in opium is now allowed, and no stocks of opium exist in the possession of private individuals. No export of opium is allowed at all from the Banswara State. Smuggling of opium is absolutely prohibited throughout its territories and no man is known to be addicted to this evil now. Neither is the use of prepared opium, morphine, cocaine and other similar drugs known to prevail here.

The Banswara State is surrounded almost on all sides by the other Native States of the Rajputana, Central India and Rewa Kantha Agencies, namely, Sant, Dungarpur, Udaipur, Patalgarh, Indore, Ratlam, Sialana, and other States, except in a small south-western corner, where the Panch Mahals of the Bombay Presidency touch it. None of these, except the last mentioned, have, however, upto this time, ever complained that smuggling of opium from Banswara into their territories takes place, or that illicit traffic in raw opium is being carried on in this State.

It may further be noted with gratification that in the same spirit, the Darbar never cared to apply for the opportunity permitting their cultivators to extend cultivation and supply opium to the British Government and derive benefit therefrom, as was done by Gwalior, Indore, and many other States, now having large opium interests; although it would have been a very lucrative business both to their cultivators and State Treasury.

Regarding cultivation of poppy also, the Darbar have established a thorough control over their cultivators, who can cultivate poppy only under license and for supply to the State; and so far as practicable not an ounce of opium juice is left in their possession.

The Darbar are trying their level best to reduce imports of opium too for their local consumption.

As regards the questionnaire:—

(1) (a) A statement, marked "A", is enclosed to show the total area under poppy cultivation and its average outturn per acre during the last 18 years beginning 1910. No agricultural statistics were maintained for previous years. The statement will indicate a tendency towards growth of poppy cultivation in the State. This is due to the fact that imports of opium from outside for local consumption have been steadily curtailed, and the poppy is proving a profitable crop to the poor Bhil cultivator to meet his present demand of standard of comfort. The statement also signifies a steady growth in the outturn per acre indicating that the cultivator has, by practice and experience, steadily improved his skill of cultivating poppy and enriching himself thereby.

(b) As regards the nature of the soil and means of irrigation used for poppy cultivation, detailed information is available only for the last year of 1926-27, in which 216 acres of land were in all sown with poppy. Of this, 108 acres were of the Bhuri and 108 acres of the Kali, i.e., Loam.

In this State there are 3 sources of irrigation of the poppy crop, i.e., (1) wells, (2) orries and (3) tanks. In the case of (1) and (2), irrigation is resorted to 8 times, while from tanks only six irrigation are considered enough to ripen the crop. In some places poppy also grows without irrigation on Sirma land.

(c) Fluctuations in the outturn per acre every year due to seasonal conditions will be seen from the last column of the statement. There is no exceptional feature about Banswara in this respect. The crop is subject to the same seasonal susceptibilities as affect the poppy crops in the same circumstances elsewhere.

(d) Another statement, marked "B" is annexed hereto comparing the outturn of the land per Bigha sown with poppy as compared with maize, sugarcane and other crops, that are grown in the Banswara State.

An average holding here consists of 20.75 Bighas of land as under:—

Cultivated area	13.15
Uncultivated	7.6

Cultivated area consists of irrigated .25 and unirrigated 12.90 including 2.97 Bighas Dofasli lands. This area according to crops is generally as under:—

Paddy	1.60
Maize	5.51
Sugarcane	.04
Poppy	.04
Wheat	1.68
Gram	1.64
Oil seeds and others	5.61
	16.12

This division of holding by crops will show that nearly 16 per cent. of the total irrigated lands in Banswara are devoted to poppy cultivation, and about 5 per cent. of the cultivators of this State are engaged in this pursuit.

The cultivator has to pay on an average Rs. 14-7-3 as land revenue for this holding. His income from this holding is ordinarily estimated at Rs. 136-8-0, while the wages of labour, price of seed, feed of bullocks, etc., are calculated to cost him Rs. 64-4-0. Added to this the amount of Rs. 14-7-3 payable as land revenue, his total outlay comes to Rs. 78-11-3 leaving him Rs. 57-12-9 against the cost of his and his whole family's living. If the poppy cultivation were ceased, this small margin of his means would diminish by more than 20 per cent. which he would be nonplussed to find means to make good.

It will be seen from this statement that the advantages which a cultivator commands from poppy cultivation are so enormous that they cannot be compared at all with the conditions of other crops. It would be absolutely disadvantageous, rather ruinous, to a poor cultivator like the Bhil to give up his valuable poppy cultivation in favour of the lesser ones of maize, wheat or even sugarcane, unless any new and equally valued crop could be found for him. No known crop, nor even the sugarcane, can afford to give him the same benefits, facilities and protection as the poppy. Because for it he practically requires no capital, little manure, no outside labour and no additional cost of harvesting. Succession of maize and other food crops after poppy makes it all the more valued crop to him. The sowing and reaping operations in the case of poppy are performed at a time, when he is not engaged on his other field work. His profits from poppy are not uncertain. It is the known and definite price that he realises in ready money immediately on the collection of his harvest without long waiting and without handing it through his Sahukar.

In this State, next to poppy, sugarcane is the only valuable crop. But the statement will show that it is no good to the Bhil. The sugarcane, as compared to poppy, requires for its cultivation so large a capital that the Bhil is ordinarily unable to command it with ease. The seed alone for one Bigha of land here would cost, if not more, at least Rs. 15 as compared to one anna worth of seed required to sow one Bigha of land with poppy, which works out to be almost 250 times as much as is necessary for poppy. To this must be added the amount of trouble and difficulty the cultivator should experience and the exorbitant rate of interest he should pay to secure it.

In the case of sugarcane crop, the poor cultivator has to wait for almost 1½ years to reap his profits, while in the case of poppy he realises his profits within six months. A Bhil cultivator, poor as he is, cannot ordinarily be expected to exhibit such a long patience. In Banswara the sugarcane crop is resorted to only by the rich cultivating class of Patels.

Another great advantage of poppy cultivation to the cultivator is that it requires almost no extraneous labour for weeding, lancing and other agricultural operations. The members of his own family are enough to weed the crop and collect the juice, while the sugarcane crop requires much additional labour, before the cultivator gathers the harvest and produces his molasses therefrom. And even then the Banswara "Gur" is not so good as to command good prices in the market.

Further remarkable advantage of the poppy crop to the cultivator and his family is that the country of Banswara being low-lying and its climate enervating, the poppy leaves and seeds form very beneficial items of his *menu*. He and his family use the leaves as herb practically all round the year, and the seed as mixed with his "Rabri" which, when mixed with it, is said to serve as a tonic to them in the winter season. These advantages cannot be replaced by any other kind of crop, much less by the sugarcane.

Another incomparable advantage of the poppy cultivation is that it does not impoverish the land in which it is cultivated, but rather gives nourishment to it, as it has been invariably found that in the fields previously sown with poppy, not only a succeeding good poppy crop, but a very good wheat crop can be raised. This is not the case with sugarcane, nor even with the best wheat, for which a rotation of crops is rather absolutely essential. A field previously sown with wheat will not produce a good succeeding wheat crop even by the best seed "Pusa No. 5." In the case of sugarcane there is another great disadvantage over the poppy, that it requires a lot of manuring to the soil as compared to poppy.

The cultivation of poppy affords to give the cultivator an additional advantage of raising other supplementary edible crops such as Garlic, Onion and Dhania. These supplementary crops he prizes very much, as they very greatly assist him by bringing him his additional profit as well as making his dietary delicious. No other crops can do so.

(c) In the circumstances, it will be seen that in this State no useful crop can be substituted for poppy. The sugarcane has already been shown to be a well-nigh impossible crop for the Bhil, although it can be raised even on Sirma land, which wants no irrigation in this State. Cotton is neither well suited to this soil, nor likely to prove profitable in this land locked hilly country. Even in Nimar, which is said to possess the best soil for cotton, the cost of production is now-a-days said to be getting prohibitive. Tobacco which is another valuable crop, though not so lucrative as poppy, is not produced here. Neither is it desirable to enforce upon the Bhil the substitution of this—another poisonous crop—for the deleterious poppy. Wheat has already been shown to be a totally disadvantageous crop in contrast with poppy. And no other crop is known which can replace cultivation of poppy without raising discontent and resentment in the mind of the Bhil, who has only just been put on the rails of civilization. The only thing that can "kill" poppy cultivation is the total prohibition of consumption of opium which, however, is just out of question.

(2) I. (a) The land cultivated with poppy yields a revenue of Rs. 3,240 a year at the rate of Rs. 6 per Bigha, i.e., Rs. 15 per acre, besides a levy of about Rs. 285 as cesses. Of this total of Rs. 3,525 the share for the kharif crop is hardly Rs. 275.

(b) The State purchases the opium juice directly from the cultivator, and manufactures opium in its own factory, which is supervised by the Revenue Department. The arrangements for distribution and sale of opium are supervised by the Customs Department, which approves every vendor and issues him a license regulating the conduct of his operations, whether he is a Customs official or a private individual. The vendors are allowed only commission on the sales effected. During the last three years the receipts of the State from the sales of opium, after deducting its cost price, have amounted to Rs. 1,57,423 giving an average of Rs. 52,475 per annum, as is detailed below. By adding the Rs. 3,250 of the land revenue to this figure the total opium revenue amounts to Rs. 55,725.

	Rs.
1924-25	51,483
1925-26	56,183
1926-27	49,757
	<hr/>
	1,57,423
	$\div 3 = 52,475$

(c) (d) (e) As has been mentioned above, the State produces opium only for internal consumption, and not for supply to the British Government, or export to other States, nor does it allow import on private account. Therefore it derives no revenue under the heads "Imports and Exports of Opium", or "other revenue," and the above figure includes nothing on this account.

(ii) The average of the last 3 years' total revenues of the State comes to Rs. 7,07,139, of which 7.88 per cent. is derived from opium alone.

(iii) The Revenue Staff having proved efficient to supervise the cultivation of poppy, collection of opium juice and manufacture of opium, no special separate opium establishment has been deemed necessary in Banswara. Hence separate figures of expenditure for Revenue and Excise cannot be given. Only a small clerical establishment is maintained at the headquarters costing Rs. 350 and Rs. 4,265 have been spent as vend charges on an average per year.

(iv) No cases of illicit manufacture of opium have been reported. The loss to the State under this head, therefore, cannot be definitely stated.

(v) As there is a large disparity in the selling prices of opium prevalent in the adjacent States working in favour of Banswara, little smuggling is suspected. During the last three years only two cases have been reported due to the smuggling of opium from outside. The State Rules are also vigorously enforced, whereby the chances of smuggling are reduced. The loss to the State under this head is therefore negligible.

(vi). The opium is sold to the consumer at the rate of 3 tolas for a rupee, or in other words Rs. 26-10-8 per seer, while its cost price varies between Rs. 10 to Rs. 12 per seer. The consumers are mostly Bhils, who are poor people and cannot face the raising of prices with equanimity. Further, if prices are raised, illicit manufacture of opium is likely to happen, resulting in a very great loss to the State revenues. By the raising of prices, the sales will also fall leading to the reduction of State revenues out of proportion.

(vii) The local production is yet unable to meet our whole demand. To make good the deficit, therefore, we purchase opium from the adjacent Malwa States. If the opium should be purchased from Ghazipur, the botheration, expense and difficulties of its transport would be unnecessarily great, besides its higher cost of production. And the incidence of this cost on the State revenues will be disproportionately large. If the prices were raised to meet this loss, not only consumption would fall, causing almost the same or more loss to the State revenues, but the public would agitate. The actual amount of the loss would be according to the rates of the Ghazipur Factory.

II. (i) The old people generally eat opium in the belief that it keeps up their energy. Young men take it as a stimulant. Children are given it to lull them to sleep. It is also used as medicine in cases of Diarrhoea, Cold, Cough, Catarrh and general debility. Those who are habituated to take opium use it in solid form. On ceremonial occasions, such as marriages and feasts, in social gatherings and communal meetings and at condolence visits, however, it is also consumed in liquid form called Amal Casumba, which is prepared by dissolving opium in water. Ordinarily its dose does not exceed half a rati, *i.e.*, nearly equal to one grain, but habitual opium-eaters eat even upto 3 Mashas. It has of late replaced liquor also to some extent. As no statistics are maintained, it cannot be said how much opium is consumed on these occasions.

Formerly, it used to be given to children of ages between 3 and 12 months as a rule. But its price having risen, this habit of giving opium to children has somewhat diminished. The last year's total consumption of the State was 72 maunds, which gives nearly 14 mashas per head per annum.

(ii) Opium is used here in the form of balls.

(iii) Chemical examination of the stuff produced in Banswara has not been attempted; nor has any survey been ever made of its physiological effects on the consumer's health. The stuff, however, is treated by the people as quite good and satisfactory.

(iv) As the population mostly consists of Bhils who are an illiterate class, it is not possible to reduce their supplies all at once without raising dissatisfaction in them. Nor is it desirable, in view of what agitation took place last year, to inflame such feeling of dissatisfaction in their mind, which might create disaffection resulting in social and political obstacles.

III. A statement marked "C" is attached giving the present stock of opium in the State Godown.

We have one warehouse, where opium is manufactured and stocked. It is administered as State concern. Our stocks with local cultivation, are likely to last for 5 years, but without it for 3 years.

IV. Sales of opium are regulated by the Rules framed under the Opium Law of 1922. No case of smuggling out of the State has yet been brought to notice. The shopless border zone is efficiently maintained, and there is very close supervision over them of the Inspecting staff of the Department.

V. No trial has yet been given to the consumption of the Ghazipur opium in the Banswara State. But the local opium being of Malwa, which produces best opium, public opinion will hardly reconcile itself to the use of the Ghazipur opium. It will therefore be not advisable to force them to the Ghazipur stuff. If all the States agreed to the Ghazipur opium, whether tasteful or distasteful, the people can have no option to purchase the opium, but they will, it is feared, raise strong protest by agitation. While it has already been shown that it would be injurious to the State revenues to stop local cultivation and to import opium from Ghazipur even on cost price, when very good quality of opium at much less cost price is produced in Banswara itself, the soil of which is so well suited to its cultivation that in some parts poppy is reported to be growing equally rich even on Sirma land without irrigation.

It has already been explained above how it is not possible to adopt outright the policy of "maximum revenue from minimum consumption" in this Bhil country without entailing great risk and danger of disaffection.

VI. The Darbar feel diffident to make any suggestion regarding the policy of the Government of India. But if permitted, they would certainly submit that the States like Banswara, which are small and situated far in land, would feel great inconvenience in getting opium from Ghazipur, when their own soil is excellently suited for poppy cultivation. The policy, the Darbar understand, is apparently advocated to stop smuggling of opium from States into British India. In the Darbar's opinion, this object can be more easily achieved in another way. Smuggling is resorted to by the people owing to differences in prices in various localities. If the States and British Government agree that opium is sold throughout India at a uniform price evolved by common consent to suit to all places irrespective of the principle of "maximum revenue from minimum consumption", no smuggling can be vented. By this way the element of smuggling will be avoided and no botheration of centralising manufacture and production at one place and distributing it over so vast distances in this country, entailing unnecessary expense of the big supervising Agency and heavy transport charges, will have to be borne. While there will be no occasion for overt or secret dissatisfaction of the people that is lurking in the suggested policy and arrangement.

STATEMENT A.

Statement showing the area cultivated with poppy from 1910 to 1927 and produce of crude opium during these years and the average of produce per acre.

Years.	Area.	Produce of crude opium.			Average of crude opium per acre.		
		Mds.	Srs.	Ch.	Mds.	Srs.	Ch.
1906							
1907							
1908							
1909							
1910	44	4	14	2	0	4	0
1911	117	2	24	9	0	0	15
1912	47	8	21	12	0	7	4
1913	28	6	13	0	0	9	0
1914	1	0	7	2	0	7	2
1915							
1916							
1917	85	11	21	10	0	5	6
1918	50	7	35	9	0	6	4
1919	7	0	6	6	0	0	15
1920	45	7	9	1	0	6	6
1921	80	17	4	9	0	8	8
1922	207	43	19	14	0	8	4
1923	206	49	35	7	0	9	11
1924	161	28	39	6	0	7	3
1925	246	53	14	6	0	8	11
1926	54	4	25	5	0	3	7
1927	216	41	33	0	0	7	12

Figures are not available.

Poppy was not cultivated in these years.

STATEMENT B.

Statement showing Income, Expenses and balance of Maize, Sugar-cane and Wheat produce per Bigha,

Statement showing the same of Wheat produce on unirrigated area.

Statement showing the same of Gram produce in unirrigated area.

STATEMENT C.

Statement showing the stock of opium.

Serial Number.	Name of the places where- from purchased.	Kind of Opium.	Weight of opium.				Cost of opium.	Interest up to last September.	Remarks.
			Scars.	Chili.	Yolng.	Mashng.			
1	Nimahera through Seth Poonam- chand Deep- chand.	Imported opium.	1,365	0	0	0	11,940 15 0	2,165 6 6	Stock in State warehouse.
2	Jnora through Seth Poonam- chand Deep- chand.	This opium is not im- ported as yet as the li- cense is not granted.	5,440	0	0	0	67,400 0 0	765 5 4	Stock in Jnora.
3	Locally produced in Samvat 1979- 80 and manu- factured in Banswara State warehouse.	...	880	0	0	0	11,614 8 3	5,710 12 0	Stock in State warehouse and is not in use.
4	Crude of Samvat 1981	Opium	2,134	6	0	7	17,000 9 3	2,391 4 11	Stock in State warehouse and is not in use.
	1982	Locally produced.	185	5	0	0	1,826 7 0	117 12 11	
	1983		1,673	0	2	9	10,945 4 8	183 10 5	

Statement showing the consumption of opium and receipts therefrom during the 3 years ending 1926-27.

Year.	Consumption.				Result (per cent.)
	Min.	Max.	Av.	Var.	
1900-01	41	12	3	0	51.63
1901-02	10	12	11	8	50.13
1902-03	59	1	10	16	42.13

The duty and tax-free fees are levied separately.

REPORT FOR THE BHARATPUR STATE.

Pandit MAYA SHANKAR, Nazim of Bharatpur State, is the Committee Member representing the State.

A Note containing the information required on the Terms of Reference, supplied by Pandit Maya Shankar on behalf of the Darbar, is recorded by the Committee as an accompaniment to this Report.

There has been no poppy cultivation in the State since 1905, and the Darbar have no present intention of permitting cultivation but reserve the inherent right of opium production in the State. There are no stocks of opium in the hands of merchants or private persons. The Committee's discussion has therefore been mainly concerned with the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 25,000 to 30,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible.

The consumption in the Bharatpur State was 19 maunds 32 seers in 1926-27, representing in the population of 496,437 a consumption of 16 seers per 10,000.

The Bharatpur Darbar are prepared to assist the scheme outlined above, should it be brought into operation, by purchasing from the central stocks the opium required for internal consumption in the State, provided—

- (1) that the opium is of good quality and suitable for consumption in the State;
- (2) that the authority responsible for purchasing and reselling to the States makes no profit on the transaction, the price being adjusted so as merely to cover expenses; and
- (3) that the price shall not be much in excess of the cost of any alternative source of supply, including local production.

2. The Committee then discussed the suggestion of the Government of India that the States should, after the stocks of old opium are exhausted, obtain their supplies of opium from the Ghazipur Factory.

The Bharatpur Darbar will be prepared to take opium from the Ghazipur Factory, after the old stocks of opium in Central India and Rajputana have been exhausted, provided—

- (1) that the opium is of good quality and suitable and sufficient for legitimate consumption in the State;

- (2) that it is supplied at cost price, and that Government will place at the Darbar's disposal, if they so desire, all accounts and other data required in order that they may satisfy themselves that the price is reasonable; and
- (3) that the extra cost of Ghazipur opium can, in the opinion of the Darbar, be made good by increasing the retail sale price of opium in the State, so that no loss of opium revenue is involved.

3. The third question discussed was the possibility of enhancing the taxation and retail sale price of opium in the State and the probable financial effect of this policy.

The consumption in the State averages 16 seers per 10,000 and amounted in 1926-27 to 19 maunds 32 seers. The State realized by opium taxation in that year Rs. 31,264 or approximately Rs. 40 per seer of consumption. The revenue from duty and profit was Rs. 14,888 (or about Rs. 21 per seer); and the revenue from license fee is estimated at Rs. 16,376 (or about Rs. 19 per seer). The present cost price is stated to be Rs. 11 to 12 per seer, the issue rate is Rs. 29-12, and the retail sale price is nominally Rs. 45 to 50 but is probably somewhat higher in practice.

The Bharatpur Darbar agree generally with the policy of maximum revenue from minimum consumption and are prepared to raise the selling rate of opium in the State to a degree corresponding as nearly as possible with that in force in British India, provided—

- (1) that the enhancement is carried out by gradual stages;
- (2) that the same price is enforced in all the neighbouring States; and
- (3) that the Darbar are satisfied that the enhancement will not cause undue hardship to legitimate consumers, or bring about the substitution of other more harmful drugs for opium.

It would perhaps be possible under these conditions to raise the selling price ultimately to Rs. 100 per seer. Assuming that the State's profit from taxation were then Rs. 70 per seer, and that the increased price caused a reduction in average consumption to 12 seers per 10,000, equivalent to 596 seers annually, the total opium revenue would then be Rs. 41,720 compared with the present figure of Rs. 31,264.

J. A. POPE, *President.*

AZIZUDDIN AHMED,

G. S. HENDERSON,

MAYA SHANKAR.

} *Members.*

Accompaniment to Bharatpur State Report.

Note on the Opium Question in the Bharatpur State.

The Government of India has appointed a Committee to enquire into certain aspects of the present situation of the Opium Question in the States of Central India, Rajputana, Gwalior and Baroda.

Terms of reference for the Committee have been received. This note is prepared so as to give full information on all points given in the terms of reference.

I: The first point for enquiry is the present situation in regard to :—

(1) AGRICULTURE.

The State has prohibited cultivation of Opium so far back as 1910 A. D. As a matter of fact owing to the Excise policy of the State there has been no cultivation since 1903 A. D.

Consequently no information under the heads of the terms of reference regarding Agriculture need be given.

(2) FINANCIAL.

(i) (a) Under this head those terms which refer to cultivation need not be discussed.

(b) Revenue derived from internal consumption of Opium cannot accurately be given, because Opium and hemp drugs licenses are combined. However the following figures will give some idea :—

Opium is issued from the State Warehouse to the retail vendors at Rs. 29.12 per seer.

Average license fee for retail sale of Opium during the last three years, it is estimated amounted to Rs. 16,875 or say 17,000 rupees annually. To these Rs. 17,000 must be added the import duty and profit realised at the warehouse. These amount to Rs. 1,393 as import duty and Rs. 15,267 as profit charged by the State.

The total revenue derived from internal consumption of Opium in the State would thus amount to Rs. 33,660 only.

(c) No Opium is exported.

(d) No Opium sold to the Government of India.

(e) No revenue in any other form is realised.

(ii) The total revenue of the State is on an average Rs. 37,56,134 lakhs. The opium revenue works up to 0.89 per cent. only.

(iii) No separate Staff is maintained for the control of Opium. The Customs staff does all the supervision and other Work regarding Excise. It is, therefore, not possible to show any expenditure.

separately for Opium or any other Exciseable articles. A list of the Customs and Excise Staff and its expenditure is attached herewith.

(iv) As no opium is cultivated there is no loss due to illicit practices.

(v) Smuggling to a small extent goes on near Jeypore and Karauli border which it is very difficult to detect. This is kept down by keeping the retail price in Tehsils adjoining these States at a little lower level than in other Tehsils. It is very difficult to estimate loss of the Revenue due to this cause.

(vi) The present cost and selling price of Opium are as follows:—

(1) Cost price (including duty and profit) i.e., the warehouse rate Rs. 29-12 per seer.

(2) Selling price in Bayana Tehsil As. 9 per tola which adjoins Jeypore and Karauli. In other Tehsils As. 10 per tola.

The selling price, it is feared, can be raised at present to very limited extent. When the Stock of Opium in the hands of private persons in other States is brought under control and selling prices in those States come up to our level, the selling price in this State can then be raised. Otherwise the State revenue from Opium will at once decline.

Another danger is that if the selling price is raised above a certain point people will be driven to country Liquor or to Charas, perhaps to Charas. This would mean a change for the worse.

(vii) The State gets its supply of Opium through the Excise Commissioner, Central India, from Indore or Neemuch. So long ago as 1911 A. D. this State wanted to get its supply of opium from Ghazipur Factory provided it was supplied at cost price. But Sir Elliot Colvin, the then Agent to the Governor General, did not approve of this arrangement.

The Financial results of getting our opium from Gazipur will not be detrimental to the State provided the price charged is the actual cost price without any duty or profit and also provided the cost is not unduly increased owing to very highly paid staff maintained at the Gazipur Factory. It is estimated that the cost price of Gazipur Opium will never exceed Rs. 14 or 15 per seer.

(viii) This question does not arise in the case of Bharatpur.

II. Consumption in the State.

(i) Opium is generally consumed by elderly people as preventive to certain diseases of the old age, such as rheumatism, nervousness, etc. Other people use it only for medicinal purposes when prescribed by Vaid or Hakims. In this State opium is not used on marriage or other such occasion as is done in Rajput States, nor is it used to any great extent.

There is no general practice of administering opium to children in this State, nor even 2 per cent. of the children are given opium daily.

(ii) Only ball opium is used in the State because that only is imported.

(iii) Opium is not prepared in any particular form for consumption. It is swallowed in its ordinary form with a little water. Its Physiological effects are well known.

(iv) There is possibility of effecting some reduction in the amount of opium consumed in the State. But it cannot be substantial. The League of nations standard of 6 seers per 10,000, of the population is certainly too low. None of the Rajputana States even approximate to it. In most cases it is five, ten or even twenty times higher than the League's standard. Our consumption is three times the standard and this also is declining. Some rise in the selling price and supply of standard opium will reduce the consumption automatically.

III. There is no stock of opium in the State.

IV. There is no smuggling out of the State. During the last three years only three cases of smuggling from the State into Muttra and Agra districts were reported in none of which it was found that the opium smuggled was from Bharatpur.

V. The advisability of the purchase of opium from Gazipur at cost price has been dealt with under 2 (vii).

The inhabitants of the State are to a certain extent prejudiced against Gazipur opium. Somehow or other they have a notion that some arsenic is mixed in the manufacture of Gazipur opium.

But this prejudice is sure to die out, because the people of this State, when they go out to Muttra and Agra districts, always use Gazipur opium and will become accustomed to it when Gazipur opium is supplied to them.

VI. The State has already adopted since 1905 A. D. the same policy which is suggested by the Government of India. Cultivation of opium has been discontinued and will continue so long as opium can be had for consumption in the State at a reasonable price. Of course the State reserves to itself its right of allowing opium cultivation and its manufacture if the price charged becomes unreasonable or for any other reason the Darbar thinks it fit to allow cultivation of opium in the State. The Excise policy of the State has all along been the same, *i.e.*, maximum of revenue from minimum of consumption. All Excise arrangements had been made on the most improved lines and were approved by Mr. J. H. Cox, Excise Commissioner, Central India.

VII. A statement showing cost price of opium, freight charges and other incidental expenses is attached.

Statement showing the Total Consumption of Opium, duty and License fee, etc., in the Bharatpur State for the last 3 years,
i.e., Sambat 1981 to 1983.

Year.	Quantity imported.	Quantity issued to Vendors.	Duty realized.	Profit charged.	Consumption.	License fee.	Total Revenue.
	Md. S. Ch. T.	Md. S. Ch. T.	Rs. a. p.	Rs. a. p.	Md. S. Ch. T.	Rs. a. p.	Rs. a. p.
Sambat							
1981.							
1st November 1924 to 31st October 1925.	31 28 0 21	26 13 4 33	1,578 10 3	16,938 7 6	26 13 4 34	16,939 0 0	35,350 1 9
1982.							
1st November 1925 to 31st October 1926.	20 0 0 0	23 17 13 1	1,396 9 6	15,178 14 6	23 17 13 1	17,418 0 0	33,993 8 0
1983.							
1st November 1926 to 31st October 1927.	20 0 0 0	19 32 4 0	1,204 1 6	13,684 3 0	19 32 4 0	16,376 0 0	31,264 4 6

Opium and Drugs licensees are combined. These figures represent 1/10th of the Total license fee which it is presumed is a Opium share.

Statement showing the cost price, freight and other incidental charges on Opium, imported in the Bharatpur State, during the last 3 years, i.e., 1981 to 1983.

Year.	Quantity imported.	Price charged by the seller.	Incident charges.				Grand Total.	Cost price per seer.
			Ry. Freight.	Cartage.	Insurance.	Demurrage.		
Sambat	Md. Srs. Ch. T.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1981	31 28 0 2 $\frac{1}{2}$	16,157 8 6	193 7 0	4 0 0	76 6 0	...	58 10 0	332 7 0
1982	20 0 0	9,171 15 6	120 1 0	2 14 6	29 1 0	0 14 0	30 2 9	183 1 3
1983	20 0 0	8,815 9 3	134 0 0	1 2 0	46 10 0	...	...	181 12 0
								8,997 5 3
								11 3 11

Details of the Customs and Excise Establishment.

	Rs.
Superintendent	200
Inspectors 2, Rs. 50, 15 each	130
Inspector 1, Rs. 50	50
Daroghas 2, Rs. 30 <i>plus</i> 10 each	80
Daroghas 3, Rs. 25 <i>plus</i> 10 each	105
Daroghas 10, Rs. 20 <i>plus</i> 10 each	300
Moharrirs 25, Rs. 12 each	300
Moharrirs 50, Rs. 10 each	500
Moharrirs 60, Rs. 9 each	540
Batwals 86, Rs. 8 each	688
Janch Nawis	14
Jemadar	9
Peons 51, Rs. 8 each	408
Fotedar	25 <i>plus</i> 5
Vernacular Clerks 5, Rs. 20 each	100
Vernacular Clerk	18
Vernacular Clerks 5, Rs. 17 each	85
Clerks 3, Rs. 14 each	42
Clerk	12
Daftri	8
Farrash	8
Waterman (Excise)	8
Waterman (Office)	8
Weighman (Excise)	10
Bandhanies 2, Rs. 8 each	16
Turinawaz	2
Sweeper	2
Sweepers 18 (Chabutteras)	23
 TOTAL	<u>3,696 per mensem.</u>
or	<u>44,352 per annum.</u>
Deducted for Vacancies	<u>1,352</u>
 GRAND TOTAL	<u>43,000 per annum.</u>

REPORT FOR THE BIKANER STATE.

Sir MANUBHAI NANDSHANKAR MEHTA, Kt., C.S.I., Prime Minister of Bikaner State, is the Committee Member representing the State.

A Note on the Opium Question together with a statement containing the information required on the Terms of Reference has been placed before the Committee by Sir Manubhai Mehta. These are recorded.

As no opium has hitherto been produced in the State, and there are no stocks of old opium in the hands of merchants or private persons except the opium imported and possessed by wholesale licensees for distribution to retail shops, the Committee's discussion has been confined to the following three points of importance, in regard to which the Committee unanimously records the conclusions given below :

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 20,000 to 25,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible. The assistance required in this connection from States which consume but do not produce opium would be limited to an agreement to purchase from the stocks so collected the opium that may be required from time to time for their internal consumption.

Consumption in the Bikaner State is at present exclusively of biscuit opium, imported mainly from Kotah and Jhalawar. The arrangements for import and wholesale storage are in the hands of wholesale licensees. The Committee understands that the Government of His Highness the Maharaja of Bikaner, recognising the advantages of State control over the import and storage of the opium required for internal consumption, is prepared to abolish the wholesale dealer system and to adopt State monopoly as soon as it may be practicable to do so. His Highness' Government is also ready to co-operate with the scheme outlined above, should it be brought into operation, by purchasing from the central stocks the opium required for internal consumption in the State, until those stocks are exhausted, subject to the following conditions being fulfilled :—

- (1) The authority responsible for purchasing and re-selling the opium shall make no profit on the transaction.
- (2) The Customs or Excise duty levied on all such imports of opium shall belong to the Bikaner State.

(3) The opium must be suitable to the taste of consumers in the State. If opium of suitable quality is not available, the State will be free to take steps for obtaining opium either from some other source or by cultivation in the State, the inherent right to cultivate and produce opium being retained and safeguarded in all circumstances.

With reference to condition (3) above the Committee has discussed the question whether consumers accustomed to biscuit opium can be induced to take opium of a different form or quality. The question is important for three reasons; first, because the measures now under consideration, designed to secure greater concentration and control of opium production and manufacture, are likely to involve some standardization of form and quality; secondly, because the issue of opium to State shops in uniform stamped cakes or tablets is a valuable safeguard against fraud and smuggling; thirdly, because the great bulk of old stocks of opium in Central India and Rajputana consists of ball opium, and it is desirable in the general interest that these stocks should pass into consumption as rapidly as possible. The Committee understands that His Highness' Government recognizes the force of these considerations and is prepared to consider the practicability of adopting a system of issue in stamped cakes and of manufacturing such cakes from a proportion of ball opium.

2. It is estimated that a period of something like 10 years must elapse before the stocks of old opium will have passed into consumption. After that period the question will arise as to the means by which the States which consume but do not produce opium shall obtain the opium required for their internal consumption. In this connection the Government of India have suggested that States should receive their supply of opium at cost price from the Ghazipur Factory. The President stated that the present cost of opium from the Factory is Rs. 26 per seer. This is considerably greater than the present cost of opium obtained in Central India and Rajputana. It is hoped, however, that the cost of Ghazipur opium will be reduced, when the present large accumulations of stocks at the Factory have been diminished. Moreover the present price of opium in Central India and Rajputana is artificially low, being governed by the fact that there are very large stocks of opium and only a small market available for those stocks. Consequently there must in any case be an increase in the cost price of opium in Central India and Rajputana after the present stocks of old opium have ceased to exist. It is anticipated, therefore, that the disparity in price between the cost of Ghazipur opium and the cost of opium in Central India and Rajputana will be much less at the end of about 10 years than it is at present.

The Committee understands that His Highness' Government is not prepared to obtain the opium required for internal consumption in the State from the Ghazipur Factory so long as opium of a suitable kind continues to be produced in Rajputana and is available for purchase at a lower price. The Bikaner Government however

siders that any such production should be carried out under the monopoly system, wholesale dealers being entirely abolished, would such production cease, the State will be ready to obtain supplies from Ghazipur if the cost is not unduly high and the sum is suited to the taste of consumers in the State and if the State does not choose to grow its own opium, under State control.

3. The third question discussed was the possibility of enhancement upon opium in the State and the probable financial effect this policy. The State's revenue from opium consumption in the year 1926-27 was Rs. 3,88,267, on a consumption of 551 maunds per seer, giving a revenue per seer of about Rs. 17-8-0. The selling price is Rs. 35-8 per seer. The consumption has averaged in the

three years 510 maunds 34 seers per annum, which is equivalent, to the population of 659,685, to an average of 309-8 seers per 10,000. The Committee has discussed the causes of the high average of consumption in the State, and places on record a note on the subject supplied by the Member representing the State.)

If the selling price were raised ultimately to Rs. 100 per seer, the State's profit were then Rs. 70 per seer, and assuming that is reduced the consumption by three-fourths to only one quarter the present quantity (*i.e.*, 137 maunds), the State's revenue would still be Rs. 3,83,600.

The Committee understands that His Highness' Government is prepared to enhance the selling price of opium in the State to a corresponding as nearly as possible with the selling price of British India, provided that the enhancement is carried out by gradual stages and that it is carried out to the same extent by the States whose territories border on that of Bikaner.

J. A. POPE, *President.*

G. S. HENDERSON,
AZIZUDDIN AHMED,
MANUBHAI MEHTA, } *Members.*

dated Bikaner, the 26th January 1928.

Accompaniments to Bikaner State Report.

Note on the Opium Question.

At the last Sessions of the Chamber of Princes, His Excellency the Viceroy announced that "by her ratification of the Hague Opium Convention of 1912, India, like the other ratifying Powers, pledged herself to the ultimate suppression of *opium-smoking* and undertook certain obligations by way of the limitation and control of opium exports. As a result of the Geneva Conference in 1924 and 1925 further agreements were made. Within five years effective steps are to be taken to prevent the *illicit traffic* in raw opium, constituting a serious obstacle to the ultimate suppression of

opium-smoking. A commission of the League of Nations will visit the producing countries at the end of that time to decide whether this obligation has been fulfilled. When it is considered that illicit traffic in exports of raw opium has been effectively suppressed the signatories have covenanted to reduce, and within 15 years to prohibit, the use in their own territories of opium for smoking".

2. If the Government of India have committed themselves and the Indian States to this pledge, it is only the duty of the Indian States to help the Government of India in carrying out this international obligation and it is my pleasant duty to vouchsafe on behalf of the Bikaner State that she will ever be willing to co-operate with the Government of India in suppressing this social scourge of opium-smoking in foreign countries. Indian States have always been prepared and ready to help the Government of India in discharging their Imperial obligations.

3. At the same time, it is equally the duty of the Indian Rulers to ask for a fair and equitable treatment of their own subjects in any new adjustments that are necessitated by the carrying out of such Imperial obligations; and this subject of readjustments suggests important considerations which, I trust, would be fairly weighed by the Government of India.

4. Taking first the area under poppy cultivation we learn from the Report of a speech delivered by Sir Basanta Mullick before the League of Nations in September, 1926, as a representative of the British India, that the acreage under poppy cultivation which in 1905 was 6,14,000 acres, had shrunk in 1923 to only 1,42,000 acres and that in view of the diminution in demand for opium, the Government of India was arranging for still further curtailment of the poppy zone. We were further informed by Mr. McWatters, Secretary in the Finance Department to the Government of India, in his speech before the Council of State last year, that this acreage in the United Provinces, which had stood at 1,41,000 in 1922-23, was progressively reduced to 1,34,000 acres in 1923-24: to 1,16,000 acres in 1924-25 and in 1925-26 it had been arranged to cultivate only 74,000 acres in the United Provinces. Thus in seven years the area had been reduced by two-thirds. This is no doubt substantial reduction, but the restrictions imposed on some of the Indian States within the Malwa opium zone have been disproportionately heavy. In Baroda the area under poppy, which was 21,827 in 1912-13 when the Government of India stopped export of Malwa opium to China, has come down to only 550 acres. In the Kotah State, when the cultivation of opium was unrestricted, the area under poppy had risen to 31,163 acres in 1904-05, a figure which represented about one-third of the acreage in the whole of Rajputana (98,515 acres). The total area in Central India and Rajputana that year was 2,13,731 acres; whereas in the Benares agency the area under Bengal opium was 3,78,961 acres. The area in Kotah has dwindled down to 1,000 acres, which shows how compared to the two-thirds reduction in the United Provinces, the curtailment in the Indian States under the Malwa poppy zone has

been considerably out of all proportion. It is not to be forgotten that the income derived by Kotah from opium at one time represented 17 per cent. of its total revenues; and the loss of one-sixth, or in some States considerably more, of the revenues is not a thing the States with limited and inelastic resources can easily cope with.

5. Substantial financial sacrifice has also been made by the Government of India: the average annual income of the Central Government from opium which was over 8 crores before 1913, has dwindled down to one crore and forty-two lakhs. But in the case of some of the States, the loss apprehended from the proposed measure will be entire and the States will have no elastic sources of other income to recoup the deficit thus caused.

6. Before suggesting the desirability of an equitable participation in the loss and a fair distribution of the remaining opium trade, it is necessary to see if it was really unavoidable. The Government of India have pledged themselves to bring about a total extinction of the export of opium for purposes of smoking at the end of ten years and consequently a progressive reduction in the quantity of exports to opium-smoking countries has to be effected every year. One method of controlling these exports has been that all export of opium is being prohibited except upon certificates of the importing country; and in this respect the Government of India have in their zeal needlessly gone to the length of prohibiting exports of opium even to Persia and Macao, although opium has been desired by these countries and they were ready to issue import certificates. Justice has to go at least side by side with generosity if not precede it. When in order to carry out this needlessly generous measure, the Government of India have to sacrifice the interests of some of their Allies and of poorer and petty States, it is only justice that suggests the award of compensation to all such States as are being put to frightful loss of revenue. The Government of India have been anxious to demonstrate to the world, as claimed by Mr. McWatters, "that they are prepared to fulfill their obligations *in the spirit* and not merely in the letter".

7. Where the interests of Indian States were in jeopardy at the League of Nations on previous occasions, the device of Reservations has not been unknown to British diplomacy. Even if it was thought not worth while for the Government of India repeatedly to stoop to such Reservations on behalf of their smaller Allies, should not the States have been consulted before thus extending the policy of prohibiting even licit exports of opium to countries which did not dissipate in opium-smoking and which desired and were even prepared to certify the imports from India? This sacrifice of the interests of Indian States demands in justice some compensation in return to make up for the loss of opium revenue which indeed has been vital to several States.

8. Regarding home consumption, the most important point that arrests attention is the effectiveness of the system of control adopted for the opium monopoly. To show how perfect the system of

control had been, Mr. McWatters quoted Miss Eileen dela Motte, who speaking of the Indian Excise Method remarked that "every step relating to the control and output was carefully and systematically regulated and had been brought to the highest pitch of efficiency, a model and example to the rest of the world". Indian States have always been ready to improve and perfect their own systems of control after this "world-model" and to offer their co-operation to prevent smuggling of illicit opium even for internal consumption.

9. The standard of internal consumption of opium laid down by the League of Nations cannot be accepted as gospel. What may be true of western countries may not always apply to the tropics and to countries in the East; for judged by the League Standard the consumption even in British India is double what it should be. To quote again from Sir Basanta Mullick's speech before the League of Nations (1926), it appears that the "amount now consumed in British India per head is about 18 grains, whereas in 1895 it was 27 grains. Eighteen grains per head represents about 1 grammme, and the Medical Committee of the Geneva Conference thought it desirable that for medical and scientific purposes countries possessing a highly organised system of medical assistance should allow 45 grammes of opium at 10 per cent. morphine content. As Indian Opium contains a lower morphine content than that produced in other countries, and as a considerable quantity is used for the treatment of cattle and horses, of which it is estimated that there are two per unit of the population, it is evident that there is not a very great margin between the consumption per head in India and that estimated by the Medical Committee as reasonable for medical and scientific requirements, and that there is no reason to suspect that there is any grave and widespread abuse of the drug". When this apologia has been considered necessary even on behalf of a system that can serve as "a model and example to the rest of the world", the case of Central India States, where the rate of consumption is eight times, and of Rajputana States where it is sixteen times, the League Standard, is not hopelessly indefensible. "The consumption of opium as an indulgence, in other ways than by smoking, the Government of India have no desire to suppress, since they are not convinced that such moderate use is harmful." It has to be borne in mind that the consumption of opium in these Indian States is not confined only to medical or scientific use. Besides being administered as a curative drug to cattle and horses, it is a drug that plays a large part on the occasions of marriage festivals and other social or caste gatherings. The use of opium by a Rajput as an article of luxurious beverage is well-known and if the total quantity of the drug used in the States is so largely inflated, it is not always an indication that either it is abused or much opium is clandestinely sent across the borders by smuggling. The internal autonomy of the States requires that the domestic consumption of the drug should be entirely left to the good sense of the Rulers and of their own people. What the Government of India can rightly claim to safeguard is only that no contraband or

illicit opium is smuggled across the borders so as to find its way into British India. Beyond this there is no object in or justification for restricting the area of poppy cultivation in an Indian State.

10. In order to leave no inducement to smuggle opium from Indian States into British India, the States have always been and will ever hereafter be prepared to assimilate the duty on the drug and its sale price with the rates prevailing in British India. They would also be prepared to adopt all precautions and employ efficient preventive staff to check illicit smuggling of opium across their borders. More than this they should not be asked to undertake. The standard set by the British Indian Excise methods is sure to influence the preventive methods of Indian States for the good; and the task need not be deemed hopeless when it is remembered that a few years ago the consumption of opium per head even in British India was 50 per cent. more than what it is to-day.

11. Moreover, it is futile to lay undue stress even on preventive Excise methods. The most perfect and exemplary methods of prevention have not succeeded in eliminating illicit cocaine and other deleterious drugs from this country. According to Sir Basant Mullick, the reports showed "that there has been a dangerous increase of the import both of cocaine and morphine into India. The use of this drug is controlled by the various provincial Excise Acts, and its illicit possession is punishable with imprisonment for various terms. Notwithstanding these protective statutes, 1,656 ozs. of cocaine were seized by the Customs authorities at Indian ports in 1923, 1,725 in 1924, and 3,680 in 1925; and it is estimated that the quantity actually imported must be many times as great".

12. The opium habit is getting less and less every year. There is no opium-smoking in this country; and even the practice of indulging in opium eating will, in course of time, lose its hold with the spread of education and culture. To force the pace may only lead to the substitution of other more evil habits of indulging in more deleterious drugs. The alleged excessive consumption of opium in Indian States need, therefore, cause no undue alarm. It does not necessarily indicate that the drug is again smuggled out for illicit exports, or that it calls for any artificial restriction on the cultivation of poppy. To demand that all palms and Mhowra trees should be uprooted to pave the way for prohibition of alcoholic drinks in the country is not sense. Similarly, any artificial restriction on poppy cultivation is uncalled for.

13. The sole circumstance that suggested and justified the restrictions on opium cultivation in the Indian States is the Bengal monopoly. The various devices adopted from time to time, the license pass fee, the doubling of the rate of license fees, the putting up of the right of export to auction, the closing of all ports except one or two to export of opium were all devices adopted to prevent Malwa opium and opium grown in Indian States from competing with the Bengal monopoly opium. As long as there was a roaring

trade in exports of opium to China and other countries, there was perhaps some *raison de'etre* for the monopoly and other restrictive limitations. Now that the export of opium to China has been abandoned and the export to other countries for any but medicinal use is being gradually confined to diminishing proportions, there is hardly any justification for the continuance of the monopoly. Opium is only a money crop and not a food crop. If it is left to the cultivator to grow opium or take to other crops, he would be perfectly free to grow poppy or not according to the demand for his produce in the market. The area of cultivation would be regulated by the demand for the commercial crop in the country, provided effective steps are taken to prevent all exports out of the country. Under such circumstances, each State would either grow opium just sufficient for internal consumption or for export to neighbouring States which do not choose to grow opium or which have no natural facilities for its cultivation. All desire for smuggling would cease as soon as the monopoly disappeared and prices were regulated by demand and supply as for any other commercial crop. The internal autonomy and independence of the Indian States demand nothing less. No artificial restrictions or inducement for smuggling need survive the monopoly.

14. Indian States are prepared to co-operate whole-heartedly with the Government of India in extinguishing all exports of opium to countries indulging in the vice of opium-smoking. It is a humanitarian consideration and Indian States are prepared to acknowledge its sanctity. They only ask for justice and equity in the distribution of the trade that would remain between British India and the States. They ask for—

(1) Proportionate allotment of shares in the export trade of opium to countries which desire Indian opium and which are prepared to undertake the responsibility of certifying the imports and of seeing that the opium so imported does not find its way into channels of illicit export again. It is well-known that there are several Foreign purchasers of Indian opium including the Governments of Malay, Hong Kong, Ceylon, the State of North Borneo, Sarawak, the Netherlands, East Indies, Siam and French Indo-China. The Government of India need not offer to shoulder the responsibility even for licit exports covered by Import Certificates and opium may be allowed to be exported again to countries like Persia and Macao on the strength of their Import certificates.

(2) Proportionate allotment of shares in the export of opium to European and other countries for medicinal and scientific uses. Samples of Indian States opium analysed at the Ghazipur Laboratory have been certified to be of as much as 10 per cent. morphine content and such exportation should not be monopolised for the Bengal opium alone.

- (3) Perfect freedom to cultivate poppy, like any other money crop, leaving its area to be increased or diminished according to the state of demand in the home market. The monopoly of opium should now be abrogated, leaving the States to arrange to get their opium supplies either by home cultivation or import from other States or from British India according to the best terms offered and other conveniences, and facilities for growth or transport.
- (4) If the monopoly of opium is not terminated, the Indian States should be free to supply other States within the area of their own zone without artificial restrictions and according to their mutual agreements. Distinct zones of influence can easily be demarcated and States in feudal or tributary relations to larger States could be easily included within such zones of influence.
- (5) Permission to start chemical industries and morphine works where all old accumulated stocks of opium, which can no longer find exit by export, could be turned and manufactured into morphine and other drugs of medicinal use and could either be exported abroad or used up in home consumption by the medical profession.

15. These requests are based on considerations of justice, equity and good faith. They are likely to smooth the way for a Fiscal Union on the model of the German Zollverein which alone suggests the solution at present of many intricate Financial questions in regard to which the interests of the subjects of Indian States are not always in harmony with those of British Indians.

Copy of letter No. 6-C, dated 14th May 1927, from the Prime Minister, Bikaner State, Bikaner, to the Secretary to the Hon. the Agent to the Governor-General in Rajputana, Mount Abu.

With reference to your D. O. 6/26, dated 2nd May 1927, I have the honour to reply to the questionnaire received with your No. 693-C, dated 3rd March 1926, as follows:—

A. (1) and (2) There are no stocks of old opium in this State (except those ?) in the possession of licensed wholesale dealers by whom imports of opium are made as required for consumption in the State.

(3) Export of opium from this State is totally prohibited.

B. The reply to this question is for the time being *nil*.

C. (1) The opium consumed in this State is biscuit opium.

(2) It is supplied to Licensed retail vendors by Licensed wholesale dealers.

(3) It is obtained at present by import from other States.

(4) The States from which it is generally imported are Kotah and Jhalawar and Licensed wholesale dealers import the same from there.

(5) The total imports into the State for the last three years amount to as follows:—

	Mds.	Srs.	Ch.
1923-24	488	21	0
1924-25	485	21	0
1925-26	495	39	5

(6) The selling price is fixed at $2\frac{1}{2}$ and $2\frac{3}{4}$ tolas per rupee for opium of first and second quality respectively.

(7) (a) It is not possible to give the actual cost price since the purchases are made by the Licensed wholesale dealers privately.

(b) The profit to the State from duty and by sale to which each individual shop for retail vend is put and fees for licenses issued amounts to Rs. 3,24,248 on an average for the 3 years above mentioned.

(c) Same reasons as given in (a) apply to this.

Note on the consumption of opium in the Bikaner State.

The consumption of opium in the Bikaner State during the year 1926-27 was 551 maunds. This gives an average of 333 seers per 10,000 souls on the basis of the population which was returned in 1921 as 6,59,685 souls. If we take a three yearly average of 512 maunds the rate works out to 309 seers per 10,000 units, while a five yearly average works out to 266 seers per 10,000 souls; thus showing that the consumption has increased appreciably during the last three years.

This apparent increase is capable of being explained by several circumstances; the chief of which are noted below:—

(1) An appreciable increase in the population of the State during the last seven years, and specially during the past three years owing to the large influx of population in the Canal Area. In the absence of a regular Census it is difficult to ascertain what this increase would exactly amount to; but considering the fact that about 600,000 acres of new land is being brought under irrigation in the Canal Area, the immigration of Canal Colonists could not have been small. A large number of these Colonists are Sikhs and hail from the Punjab and the Sikhs are well known for their weakness for opium.

(2) Opium is freely given to draught cattle, bullocks, camels and horses, as well as to cows, calves and buffaloes. For horses it is used as embrocation for massage and rubbing their chests with; and it is given to bullocks and camels when they are out of condition and as a restorative against fatigue. Opium upto one Tola is given to camels after long or forced marches. The number of cattle reported in the village census last year was 302,887 heads.

(3) Opium is used at all social gatherings, festive occasions, like marriage, birth or betrothal, as well as on obsequial ceremonial gatherings. The opium beverage is then freely circulated all round and to refuse to take a sip of opium juice from the hand of the host is deemed bad manners, if not as a positive sign of ill-will and hostility. People who are not addicted to the opium freely indulge in this beverage on such occasions, and opium from 4 to 10 Tolas is easily consumed in a gathering of 50 persons. The total quantity consumed waxes large when Rajputs, Charans and other landed Zemindars congregate together on such occasions as they are reputed to be able to stand large doses of opium.

(4) It is ordinarily used largely by the habitual opium eaters and for children. The agricultural classes and labourers are addicted to the opium habit and take the drug as an antidote against fatigue and depression. The dose for adults ranges from one-third of a Masha to five Mashas or half a Tola per diem. It is used as a sedative for children immediately after they are weaned and the drug continues to be daily plied to children till they are three years old.

(5) Finally it is used as a medicine. The villagers use it against fever in preference to other febrifuges; but it is valued as a vital tonic for its recuperative properties.

It may also be remembered that the opium used in the Punjab is not at all liked by the people there. It is mixed with oil and has not that peculiar flavour as the biscuit opium is credited with; and the brand of hill-opium is believed to be nauseating. It is not impossible under the circumstances that the Punjab people on the frontier secretly contribute to this high percentage of consumption in Bikaner territories, where the opium sold is both much cheaper and finer in quality and flavour. The consumption in Jaisalmer State is believed to be much higher and the unduly large percentage in Western Rajputana States can only be accounted for by the above considerations.

Statement showing the information required in connection with the Terms of Reference of the Opium Committee.

(2) FINANCIAL.

(i) (b) *Revenue other than land revenue derived from internal consumption.*

This may be divided into following heads:—

For 1925-26—

	Rs.	A.	P.
1. Customs Duty on imports of opium into the State	2,47,992	8	0
2. Sale proceeds of contracts for retail sale	1,10,900	0	0
3. License fees	285	0	0
TOTAL	3,59,177	8	0

(ii) *The proportion that the total revenue of all kinds from opium bears to the total revenue of the State.*

The proportion of the total revenue of opium to the total revenue of the State (for 1925-26) works out to 3:96.

(iii) *Expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of the arrangements for such control.*

It is difficult to give the exact amount of expenditure upon the regulation and control of the distribution of opium, with which alone this State—a non-producing one—is concerned, since besides the establishment actually earmarked for Excise, every Officer of Revenue, Customs and Police, in the State is appointed to be an Excise Officer under Rule * 3, Chapter II of the Rules *re* intoxicating drugs issued under Excise Act I of 1911 of this State and performs duties relating thereto, *viz.*, of watch and ward. The Officers of the last two departments are also invested with certain powers† which they respectively are expected to exercise for the prevention and detection of offences, while every Nazim, Tehsildar and Naib Tehsildar is required to keep himself informed of all matters that ought to be brought to his notice.

As for the nature of arrangements for control, opium is imported into the State under permits issued by this department and those issued by the exporting States on the strength of the same, by wholesale dealers, who are selected out of the lot of retail sellers on the score of respectability, and these in their turn supply the requisitions of the retail-sellers who again have to obtain licenses for the vend of opium. The licenced dealers' shops are inspected from time to time by the Inspector and Sub-Inspectors of the Excise Department, by the District Officers of the Revenue Department and also by the superior Officers of this Department. Monthly accounts of sales, which the wholesale and retail-sellers are under obligation to supply to this department, are duly scrutinized at the head-quarters. The Inspector and Sub-Inspectors of the Excise Department are also required to do patrols in their respective circles.

* Rule 9.—Every Officer of Police, Revenue and Customs and every Officer employed at a spirit warehouse established by His Highness' Government is appointed to be an Excise Officer.

† Rule 11.—Every Nazim, Tehsildar and Naib Tehsildar is also required to inspect periodically the opium shops in his jurisdiction, and to satisfy himself that opium of good quality is being sold at the prescribed prices. He is also expected to keep himself informed of all matters affecting the Excise revenue, to act as the Deputy of the Inspector General of Customs and Excise, in regard to such matters, and to keep him informed of all matters that ought to be brought to his notice.

Rule 12.—Every Officer of the Police and the Customs Department is an Excise Officer, and as such invested with certain powers, which he is expected to exercise for the protection of the Excise revenue and for the prevention and detection of offences.

(v) *Loss of revenue due to smuggling of opium from outside the State.*

Cases of smuggling into the State of opium from outside have been fortunately of rare occurrence and the loss to the State revenue due to the same may be said to have been very inconsiderable.

(vi) *The present cost and selling price of opium, the possibility of gradually raising the latter and the effect upon the States finances of such a policy.*

The present cost price, including freight charges, customs duty and contract sums and license fees, is Rs. 31 or 32 per seer, while the selling price is Rs. 35-8 per seer. The selling price has been gradually raised from time to time and the State is fully alive to the necessity of the same but their action in this direction has been dependent upon the prices prevailing in the adjoining States since if they continue lower there, the raising of the same here may lead to smuggling of opium from the former into, and with consequent loss of revenue to, this State, besides, of course, the difficulties in providing for check upon the influx of illicit opium.

(vii) *The present sources of supply and the possibility of meeting the demand in the first instance from stocks held in the States under consideration taken as a whole, and ultimately from Ghazipur, with special reference to the financial results of such a policy so far as these do not fall under any of the heads mentioned above.*

The supplies for this State are at present obtained from the States of Kotah and Jhalawar and the same may be allowed to continue for the future in place of the supply from Ghazipur. The consumers in this State are given to using opium from these States only. They would not like to have any other quality in its place and to impose this upon them may be attended with serious consequences, as to those given to opium eating, the particular quality to which they have been accustomed for years, has become an article of faith and consequently to change it for another would be viewed with great alarm and may be acquiesced in only at serious inconvenience, if not danger to their lives. The financial results to this State, if the source of supply is changed to Ghazipur, cannot in such circumstances be favourable. The effect of the change, if introduced at all, may also be to mar the revenue from this source.

II. *Consumption in the State.—(i) The manner in which opium is used, the purposes for, and occasions on, which it is used and the extent to which it is used, and, in particular, to which it is administered to children.*

Opium is used in the State for the most part in the raw state in which it is imported and on occasions of births, deaths, betro-

thals and marriages among certain communities in a liquid form which it is turned into by dissolving. Besides the use as a daily dose of one 'masha' for an adult of ordinary constitution once or twice in the day by persons addicted to it, it is administered to children more or less universally in very small doses ranging from $\frac{1}{2}$ to 1 'ratti' till the weaning period is over.

(ii) *The forms (ball, biscuit, etc.) in which opium is used in the State.*

Opium is used in this State in biscuit form.

(iii) *The chemical composition of opium when prepared for consumption in the manner prevalent in the State and its physiological effects upon the consumers when so consumed.*

Opium is not used in prepared form in this State and consequently it is not possible to say anything about chemical composition of prepared opium nor about its physiological effects upon the consumers.

(iv) *The possibility and desirability of effecting a substantial reduction in the amount of opium consumed in the State, the means (increase of selling price or otherwise) by which this could be effected and the financial or other obstacles to such reduction in so far as these have not been dealt with under any of the heads above.*

Being fully conscious of the desirability of reducing the consumption of opium in this State, it has adopted means, e.g., gradually enhancing price thereof by raising the rate of duty on imports of the same as mentioned in I (2) (vi) above, and also by adding to the license fees payable therefor. The obstacles to the raising of prices are mentioned in I (2) (vi) above.

III. *Stocks of opium in the State.—Their quantity by whom they are held, their value, the extent to which they are already under State control and how best they could be disposed of.*

Stocks of opium there are *nil* in the State because opium is imported through licensed contractors with whom the quantity unsold is held and carried forward as balance from year to year in the event of the contracts continuing with the same men, otherwise it is transferred to the future contractors. The balance thus in the hands of the various contractors of the State at the close of the year 1925-26, *viz.*, on 31st October 1926, was 8 maunds 16 seers 11 chataks. The manner of control has been dealt with in I (2) (iii).

IV. *Smuggling out of the State.—Its causes and prevalence, the preventive agencies in existence, their present effectiveness and the possibilities of their improvement.*

Our prevailing prices comparing favourably with the adjoining States, and due to supervision and check exercised, smuggling into the adjoining States has been practically none. As far as British India is concerned the causes for smuggling out may be:—

- (1) Quality of opium used in the State.
- (2) Lower prices of opium [reasons given in I (2) (vi).]
- (3) Quantity for private possession which is 10 Tolas.

(Looking to the peculiar customs, etc., of the State when opium in very considerable quantities is consumed by the public and the long distances between any two and the sparse situation of the villages of the State owing to which a small quantity for private possession would require the consumers to travel long distances too often to get their every-day supply, thereby causing them besides great inconvenience, considerable expenditure as well, it would not appear to be possible to bring down the limit of private possession from that ruling at present). The above causes notwithstanding, our records show that cases of smuggling out of opium belonging to the Bikaner State have been few and far between; the cases reported by the Punjab Excise Intelligence Bureau having been found on enquiries made into them to relate mostly to Malwa opium in ball form which is not used in this State. This will suffice to bear out the effective nature of the arrangements for watch existing in the State. Besides the arrangements for inspection and check as mentioned in I (2) (iii) the preventive agencies include Customs Thanedars and Chowkidars posted on the borders of the State on all sides, the Customs Naib-Girdawars whose duty it is to patrol in their respective beats, and the Customs supervising staff, and who are, therefore, able to keep the closest possible watch on exports out of the State. The Revenue and Police Officers are also bound to keep watch and take other actions necessary for the detection and prevention of smuggling within their respective jurisdictions.

V. *Purchase from Ghazipur.—The advisability and practicability of the purchase of opium by the States from Ghazipur at cost price. How far the inhabitants of the States would be prepared to consume Ghazipur opium and whether Ghazipur could produce opium suited to their taste and needs.*

Reply to this is the same as given in I (2) (vii) above.

VI. The Policy suggested by the Government of India.—
 The advisability and practicability of adopting the policy suggested by the Government of India, namely, the discontinuance of cultivation in the States, the purchase of opium by the States from Ghazipur at cost price and the adoption by the States of the policy of maximum revenue from minimum consumption so as, ultimately, to raise the selling price to a level with that in the adjoining British districts, thereby removing the incentive to smuggling and reducing consumption.

This is not an opium producing State and consequently no action in the direction of the discontinuance of cultivation would seem to be called for. As for the use of Ghazipur opium the reply is already given in I (2) (vii). This State has always been a very strong advocate of the policy of maximum revenue from minimum consumption but in the carrying out of the same it has had to consider the conditions prevailing in the neighbouring States, as above stated. If these can be induced to come into a line with us and raise the price similarly, this State may be depended upon also to raise the present incidence of duty, etc., on opium further so as ultimately to raise the selling price to a level with that obtaining in the adjoining districts of British India. Even as matters stand at present, it may be noted, we have been gradually adding to the embargo on opium from day to day and the same stands now at Rs. 500 a maund *plus* the contract bids and license fees.

VII. General.—Any other subjects relevant to the matters mentioned above.

REMARKS.]

Serial No.	Year.	Cost price per seer.	Selling price per seer.	Rate of duty.	Revenue.			REMARKS.]
					Amount of customs duty.	License fees and contract sums.	Total.	
		Rs.	Rs. A. P.	Rs.	A. P.	Rs.	A. P.	
1	1926-27	31 or 32	35 8 0	Rs. 500 per md.	3,75,512 14 3	1,12,754 0 0	3,88,266 14 3	
2	1921-22	28	(15 13 Duty and contract amount) 28	Rs. 500 per md.	2,10,566 3 3	19,632 0 0	2,30,198 3 3	Shops in Suratgarh Nizamat alone were let out on contract as an experiment.
3	1916-17	23	(14 9 Duty) 23	Selling price not fixed.	Rs. 350 per md.	1,15,241 3 9	3,887 4 0	1,19,128 7 9
4	1911-12	14	per seer	Rs. 20 per seer	Rs. 205 and* 340 per md.	115 0 0	35,097 0 0	*Raised to Rs. 340 from 11th March 1912.

Details of the cost price Rs. 31 or 32 shown in the Statement worked out from the Importer's Books.

	Rs. A. P.
Cost price in Kotah including duty on Export from there	13 8 0
Commission and other charges and Railway freight	0 6 0
Import duty paid at Bikaner	12 8 0
Proportion of the contract sum paid to the State and license fees	5 0 0
TOTAL	31 6 0

Total consumption for the three years ending 31st October 1927.

	Mds.	Srs.	Ch.
1924-25	485	21	0
1925-26	495	39	54
1926-27	551	1	0
TOTAL	1,532	21	54

REPORT FOR THE BUNDI STATE.

Mr. N. BHATTACHARYA, M.A., Prime Minister of Bundi State, is the Committee Member representing the State.

A Note containing information in reply to the Terms of Reference, placed before the Committee by Mr. Bhattacharya on behalf of the State, is recorded by the Committee.

Opium arrangements in the State are now in process of being reorganized. The measures already introduced include the prohibition of poppy cultivation, as an experimental measure, the placing under State seal and key of all stocks of opium (amounting to about 36 maunds) previously in the hands of merchants in the State, the import of opium by State agency for internal consumption and the enforcement of a limit of private possession. It is further proposed to permit the sale of opium in future only in State shops.

There will thus, when the reorganization is complete, be full State control over all dealings in opium. It is understood, however, that control is still imperfect in certain Jagir areas, and the Committee records the opinion that the complete attainment of a standard conforming with the requirements of the League of Nations is likely to be impossible unless opium arrangements are effectively controlled by the suzerain authority in all areas throughout the State.

The opium consumed in the State is biscuit opium, of which the present cost price is about Rs. 14 per seer and the present selling price is about Rs. 22. Figures of consumption are not at present available, as control has been introduced only recently. The State agrees with the policy of maximum revenue from minimum consumption and is prepared in conformity with that policy to raise the retail selling rate by slow degrees. It is also prepared to obtain from the Ghazipur Factory or from any other generally approved source the opium required for internal consumption, subject to the provisos that the inherent right to produce opium in the State is retained in all circumstances, that the opium imported for internal consumption must be suitable to the taste of consumers in the State, and that it must be obtainable at a price which leaves an adequate margin for State taxation without unduly increasing the price of retail vend.

J. A. POPE, *President.*

N. BHATTACHARYA,

AZIZUDDIN AHMED,

G. S. HENDERSON,

} *Members.*

Dated Bundi, the 2nd February 1928.

Accompaniment to Bundi State Report.

Replies of the Bundi State.

1. The present situation specially in regard to—

(1) AGRICULTURE.

(a) As the opium policy in the State was not clearly defined in the past, it is difficult to collect material for statistical purposes. For some years past the industry did not receive much attention from the State while Jagirdars have been cultivating and manufacturing for their own consumption, over which no restrictions were put. Under such circumstances, it cannot be ascertained with any degree of certainty, even approximately, the acreage of cultivation and the actual yield in the Jagir villages.

(b) Opium is cultivated by the Jagirdars generally in black soil. The irrigation is done by well-water. The other details referred to in this question cannot be ascertained for reasons stated above.

(c) No details are available.

(d) No statistics are available, but the trend of opinion among cultivators is that cultivation of poppy is most profitable to them. There is a proverb amongst them that opium is Chandi-ka-Gara (silver liquified), which means that opium fetches its own weight of silver.

(e) The reply is to be found in the last part of the preceding question.

(2) FINANCIAL.

(i) (a) No opium is supplied to the Government of India or to other States. The Jagirdars get land revenue from land cultivated with opium at varying rates, the minimum of which is double the highest rate realised for growing cotton and wheat.

(b) The Jagirdars are not allowed to sell opium and so derive no revenue from opium cultivation other than land revenue.

(c) Nil.

(d) Nil.

(e) Nil.

(ii) For internal consumption merchants were allowed to import opium from the neighbouring States, on which the State levies a Custom duty of Rs. 3 per seer. The average Customs duty thus realised is about Rs. 7,000, on the basis of last years import, the average income of the State being about twelve lacs (local coin) the proportion of the revenue from opium to that of the State is about 7: 900.

(iii) Nil.

(iv) As there was no control over the cultivation of opium by Jagirdars and as no preventive staff were maintained by the State against opium finding its way into Khalsa villages, it was but

natural that illicit practices prevailed to the great loss of revenue to the State, the extent of which cannot be estimated.

(v) It is an open secret that illicit opium finds its way in this State from Mewar and probably from other States but in the absence of any preventive staff cases are rarely detected. Under such circumstances, the loss of revenue to the State due to smuggling of opium from outside cannot be estimated.

(vi) The State has very recently adopted the policy of monopolising the import and storage of opium by it and not allowing the Jagirdars to cultivate opium. It intends to keep a sufficient number of preventive staff against illicit practices. The present cost of opium purchased by the State is on an average of Rs. 14 per seer and the selling price is about Rs. 22. Out of this profit of Rs. 8 per seer the State intends to give a commission varying from 8 annas to 1 Rupee per seer to licensed retail vendors and to Customs officials in the Customs houses in the districts. It is also under contemplation to raise the selling price very gradually because an immediate rise is bound to make a great unrest amongst the poor people who have hitherto been enjoying the privilege of getting opium cheap. The effect of this rise in price will no doubt be an increase in the finances of the State.

(vii) As stated in (vi) the State is purchasing opium from the neighbouring States. Whether the same could be purchased from Ghazipur or not, depends on the cost price, as a prohibitive price will necessarily lead to a prohibitive selling price which, owing to the general poverty, people may find it difficult to bear. There are other factors to be considered in this connection, which have been dealt with in ().

(viii) *Nil.*

II. (i) Opium is used internally and no admixtures are ever used. It is generally used as a stimulant particularly by those suffering from some ailments under advice of Baidyas and Hakims. It is a time immemorial custom that in almost all ceremonials opium is distributed to guests as a mark of jubilation and this custom has been looked upon as a part of religious ceremonies. It is also used externally for alleviating pain. The extent to which it is used on ceremonial occasions depends upon the number of guests. It is also customary to administer opium to children in very minute doses for preserving their health but it is not a general custom.

(ii) Biscuit opium is used in this State.

(iii) An expert can give this opinion.

(iv) A substantial reduction in the amount of opium consumed in the State seems to be impossible at the present time, on account of an exceptionally conservative and primitive idea held by them with its concomitant prejudices. The people have already become suspicious of the present policy of the State and any attempt at effecting any reduction in the consumption or in raising the selling price is bound to make a great commotion and trouble. The

State agrees with the view of maximum revenue from minimum consumption, but considering the local conditions and sentiments of the people which are quite different from those in the neighbouring or more advanced States it seems that the carrying out of this policy must necessarily be a prolonged affair.

III. In the past, there was no stock of opium in the State. As has been said above private merchants used to import them, but under the present policy of the State, they have been taken over by it. The quantity thus to be taken is not much and will probably not exceed more than 36 maunds, so that the present stock in the State is about 46 maunds including the 10 maunds recently purchased by the State for internal consumption. The total value will be about 27,200 Rupees.

IV. Smuggling out of the State is rare. There were no preventive agencies in the past but it is proposed to provide for a sufficient staff for this and Abkari purposes in the general scheme for the reorganisation of the administration.

V. As has been said the advisability and practicability of the purchase of opium by the State from Ghazipur will depend on what the cost price should be, because the selling price is not capable of a substantial increase in the near future. This has been stated in I (2) (vii). On the other hand, the inhabitants of this place consume Malwa opium only. Any innovation therein is bound to create troubles.

REPORT FOR THE DHOLPUR STATE.

Rai Bahadur Munshi KUNJ BEHARI LAL, Revenue Secretary, is the Committee Member representing the State.

A Statement containing the information required on the Terms of Reference was placed before the Committee by Rai Bahadur Munshi Kunj Behari Lal. As no opium is produced in the State, and there are no stocks of opium in the hands of merchants or private persons, the Committee's discussion has been confined to the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

(1) The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 20,000 to 25,000 chests, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible. The assistance required in this connection from States which consume but do not produce opium would be limited to an agreement to purchase from the stocks so collected the opium that may be required from time to time for their internal consumption. The price at which this opium would be supplied cannot be exactly determined at present but it would not exceed the cost of producing opium by cultivation.

The Committee understands that the Dholpur Darbar is ready to purchase the opium required for internal consumption from the central godown, if one is opened.

(2) It is estimated that a period of something like 10 years must elapse before the stocks of old opium will have passed into consumption. After that period the question will arise as to the means by which the States which consume but do not produce opium shall obtain the opium required for their internal consumption. In this connection the Government of India have suggested that States should receive their supply of opium at cost price from the Ghazipur Factory. The President stated that the present cost of opium from the Factory is Rs. 26 per seer. This is considerably greater than the present cost of opium obtained in Central India and Rajputana. It is hoped, however, that the cost of Ghazipur opium will be reduced, when the present large accumulations of stocks at the Factory have been diminished. Moreover the present price of opium in Central India and Rajputana is artificially low, being governed by the fact that there are very large stocks of opium and only a small market available for those stocks. Consequently there must in any case be an increase in the cost price of opium in Central India and Rajputana after the present stocks of old opium have ceased to exist. It is anticipated, therefore, that the disparity in price between the cost of Ghazipur opium and the

in Central India and Rajputana will be much less about 10 years than it is at present.

cost of opium at the end of old stocks of opium in Central India and Rajputana

The Committee understands that the Dholpur Darbar is ready, after the exhaustion of the stocks of opium required for internal consumption in the State from the Ghazipur Factory, provided that the cost of opium supplied by the State representative that the Dholpur State. They of their own accord stopped the cultivation of opium

It has late, bearing in mind the high moral purposes for which Darbar has hitherto been discouraged and deprecated, but that they have in their State their right to renew it if necessity arises; and that such cultivation of opium such as the people of Dholpur are accustomed to, never available from Ghazipur or other sources as mentioned in in case of 2, the necessity may probably arise of reviving the cultivation of unauthorised opium only for the bare requirements of the people of paragraph with all the safeguards necessary for such cultivation.

vation of the third question discussed was the possibility of enhancement of opium in the State. The present consumption

(3) Themselves eight maunds annually, representing for a population tax at 2,30,188, a consumption of 13.9 seers per 10,000 of is approxn; the average consumption, therefore, is not high. The lation of cost price of opium is about Rs. 12-8-0 per seer. Establishment charges are approximately Rs. 800 annually, equivalent on present caption of 8 maunds to a charge of Rs. 2-8 per seer. The ment charge is Rs. 30 per seer, so that the profit to the Darbar is Rs. 15 after deducting cost price and establishment annual revenue on a consumption of 8 maunds is about Rs. 4,800. If the selling price were raised charges. by to Rs. 100 per seer, and if the Darbar's profit were thus thus at 1 to Rs. 70 per seer, and assuming that this would cause a ultimate of consumption from 8 to 4 maunds annually, the Darbar's increased would be increased to Rs. 11,200.

decrease Committee understands that the Darbar is prepared, so far revenue be practicable, to enhance the selling price of opium in the

The a degree corresponding as nearly as possible with the as may price in British India, provided that the enhancement is State to out by slow degrees and that it is carried out to the same selling by the States whose territories border on that of Dholpur.

carried extent

J. A. POPE, President.

G. S. HENDERSON,

AZIZUDDIN AHMED, } Members.

KUNJ BEHARI LAL,

Agra, the 9th January 1928.

Date

Accompaniments to Dholpur State Report.

Information on the Terms of Reference required by the Indian States Opium Committee.

I. (2) (i) (b) The average of three years' opium revenue derived from internal consumption is about Rs. 10,462.

(c) No opium is exported to other States.

(e) There is no other form of opium Revenue.

(ii) The proportion that the total revenue of opium bears to the revenue of the State is as '010.49 is to 1.

(iii) The total expenditure upon the control of the distribution of opium is about Rs. 794.9 according to the statement attached.

The arrangement of the distribution of opium is in Khalsa. It is kept in the Excise Warehouse and then given to the shop-keepers for sale after they have paid the cost of opium to the cashier of the Department. In mussalas the Girdawars get supply of opium from the Excise Warehouse and they distribute it to the shop-keepers after realising its price. The shop-keepers are paid servants who sell opium according to the rules of Opium Act. They have to keep an account of the daily sale and receipt of opium.

The Excise Inspector inspects these shops from time to time and checks registers of Accounts.

(v) Nil.

(vi) The present cost price of opium is about Rs. 12.7-3 a seer and the selling price is Rs. 30 a seer. The effect of gradually raising the selling price would be an increase in the revenue in the beginning but after a time when its use would be reduced there would be a decrease in the Revenue.

(vii) The present sources of supply of opium are Chittorgarh and Indore States. There are no stocks of opium in the State. Regarding financial results by supply of opium from Ghazipur it cannot be ascertained until the price at which the opium can be supplied from there is known.

II. (i) Opium is used generally by swallowing small quantities and very little in smoking. It is taken by persons in their old age to avoid cough. It is also used as medicine for internal application in cases of pains, etc. It is given to children to keep them sleeping for a longer time. The opium is used by about 10 per cent. of the population.

(ii) Opium is used mostly in the form of balls and a little in the form of biscuits now and then.

(iii) Those who consume opium take only opium unmixed with any other substance. A few persons use Madak and Chandu. Madak is composed of opium, Babool leaves and barley husk. When the cleaned opium is smoked by the help of a burning lamp or coal it is then called Chandu. Madak and Chandu reduce health.

(iv) It is possible to reduce the quantity of opium consumed by gradually raising selling price to a level with that in the adjoining States and British districts.

III. The stock of opium for sale on 31st December 1927 was maunds 4-30-7 in the Excise Warehouse. Besides this there is no other stock in the State.

IV. In 1924 information of one case of smuggling was received from Agra by which it appeared that very little quantity, i.e., about three chaitacks was smuggled out of the State. To prevent this smuggling the measure adopted is the issue of pass books to those who desire to purchase more than $\frac{1}{2}$ tola at a time. They are checked every quarter. Shop-keepers who supply opium sign these pass books for every entry in it.

V. Nothing can be said about the suitability and taste of Ghazipur opium until a sample is sent for and its price is known.

VI. No opium is cultivated in this State and there is no objection in getting supplies of opium from Ghazipur if the cost price is nearly the same as the State has been paying hitherto.

(2) (i) (b) Statement of the cost of opium to retail vendors.

Warehouse rate of opium including duty.	Shop-keepers sell it.	License duty.
Rs. 30 a seer.	Rs. 30 a seer.	Nil.

NOTE.—The arrangement of opium distribution is in Khalsa at present. The shop-keepers are paid servants and they get supply of opium @ 30 Rupees a seer from Warehouse and sell it at cost price.

Statement of the annual expenditure of the control and distribution of opium.

No.	Head.	Amount.	Total.		
			Rs.	a.	p.
1	Establishment:—				
	Pay of shop-keepers . . .	608 0 0			
	Pay of Khallasi @ Rs. 7 p.m. . .	84 0 0			
	Pay of Chaukidar @ Rs. 7 p.m. . .	84 0 0	776	0	0
2	Contingent:	18 9 0	18	9	0
	TOTAL	794 9 0	794	9	0

N.B.—The establishment of the Excise Department also controls this department in addition to their original work.

Statement of the estimate of cost price of opium.

Quantity of opium indented.	Price charged by merchants including their commission.	Freight charges.	Other incidental charges.	Total.	Price per seer.
Mds. Srs. Ch.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
6 3 8	2,983 2 0	29 12 0	20 9 9	3,033 7 9	12 7 3

Statement of three years' profit of Opium Revenue.

Year.	Receipt of Income.			Expenditure.			
	Quantity of opium.	Rate.	Amount.	Cost of opium.	Establishment and other charges.	Total.	Net income.
	Mds. Srs. Ch.	Rs.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.
1924-25	9 0 12	30 a seer	10,822 8	1,492 10 3	787 0	5,279 10 3	5,542 14 9
1925-26	7 26 12	"	9,202 8	3,824 6 0	780 0	4,601 6 0	4,598 2 0
1926-27	8 7 8	"	9,835 0	4,093 12 0	794 9	4,888 5 0	4,946 11 0

REPORT FOR THE DUNGARPUR STATE.

Rai Sahib Pandit KISHEN NAND JOSHI, Diwan of Dungarpur State, is the Committee Member representing the State.

A Note containing the information required on the Terms of Reference, supplied by the Diwan on behalf of the Darbar, is recorded by the Committee as an accompaniment to this Report.

The Darbar have discontinued poppy cultivation in the State, with effect from 1927-28, in response to the appeal made by His Excellency the Viceroy at the Simla Conference. The Darbar however desire that in event of its being considered desirable to compensate any State for losses incurred by stopping opium production, the claim of the Dungarpur State may be considered.

The stocks of opium in the State amount to 59 maunds and 8 seers of crude and hard opium, part of which is stored in the State Bank and part in the State's warehouse.

The Committee's discussion has been mainly concerned with the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 25,000 to 30,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible.

The consumption in the Dungarpur State was 39 maunds 1 seer in 1926-27, representing in the population of 189,272 a consumption of 82.5 seers per 10,000.

The Dungarpur Darbar are prepared to assist the scheme outlined above, should it be brought into operation, by purchasing from central stocks the opium required for internal consumption in the State, provided—

- (1) that the opium is of good quality; and
- (2) that the authority which purchases the opium and resells to the States makes no profit on the transaction the price charged to the States being arranged so as merely to cover expenses.

2. The Committee then discussed the suggestion of the Government of India that the States should, after the stocks of old opium are exhausted, obtain their supplies of opium from the Ghazipur Factory.

The Dungarpur Darbar will be prepared to take opium from the Ghazipur Factory, after the old stocks of opium in Central India and Rajputana have been exhausted, provided—

- (1) that the opium is supplied at cost price, and is suitable in quality;

- (2) that the cost does not very much exceed the cost of any alternative source of supply, including cultivation in the State;
- (3) that the extra cost payable can in the Darbar's opinion be made good by an enhancement of the selling rate so that no actual loss of opium revenue is involved; and
- (4) that in view of the fact that the minimum distance from Dungarpur to a Railway Station is 65 miles and the roads are not suitable for cart traffic during the rainy season and that the State has to pay railway and cart fares, it will, should it be absolutely necessary, resume cultivation on a very small scale, for purely medical purposes.

3. The third question discussed was the possibility of enhancing the taxation and retail sale price of opium in the State and the probable financial effect of this policy.

The consumption in the State averages 82.5 seers per 10,000 and amounted in 1926-27 to 39 maunds 1 seer. The State realized by opium taxation in that year Rs. 28,192 or approximately Rs. 18 per seer of consumption. The present cost price of old opium is stated to be Rs. 10-8-0 per seer, and the retail sale price is Rs. 33-5-4. Opium produced in the State costs Rs. 13 per seer. The opium is sold by State servants and no license fee is taken.

The Dungarpur Darbar agree generally with the policy of maximum revenue from minimum consumption and are prepared to raise the selling rate of opium in the State to a degree corresponding as nearly as possible with that in force in British India, provided—

- (1) that the enhancement is carried out by gradual stages;
- (2) that the same price is enforced in all the neighbouring States; and
- (3) that the Darbar are satisfied that the enhancement does not cause undue hardship to legitimate consumers.

It would perhaps be possible under these conditions to raise the selling price ultimately to Rs. 100 per seer. Assuming that the State's profit from taxation were then Rs. 70 per seer, and that the increased price caused a reduction in average consumption to 40 seers per 10,000, equivalent to 757 seers sold in the State shops, the total opium revenue would then be Rs. 53,000 compared with the present figure of Rs. 28,000.

J. A. POPE, *President.*

‘AZIZUDDIN AHMED,

G. S. HENDERSON,

KISHEN NAND JOSHI,

} *Members.*

Accompaniments to Dungarpur State Report.

Terms of Reference.

Aspects of the situation in the Dungarpur State.

I. The present situation specially in regard to—

(1) AGRICULTURE.

(a) A statement showing the number of acres cultivated with poppy and the average yield in maunds and seers for the last 22 years is enclosed.

(b) Quality and nature of land, on which it is cultivated, is generally irrigated and good soil and the amount of irrigation required is generally 6 waterings. The source of irrigation is tanks and wells, from which water is drawn for irrigation by means of Persian wheels and water channels.

(c) The average yield per acre in each year is shown in the statement under (a) above.

(d) Detailed figures are not available. The advantages or disadvantages of cultivating poppy as compared with other crops are insignificant.

(e) Wheat, sugarcane and Jira can be substituted for poppy and the cultivators will not be affected by such substitution but on the other hand their conditions will be improved.

(2) FINANCIAL.

(i) The average revenue derived by the State from opium under the following heads:—

(a) The land revenue from land cultivated with poppy for internal consumption is Rs. 2,100. No supply is made either to the Government or other States. According to the settlement in force no difference exists in the land revenue from land growing poppy and the assessment likely to be realized on the same land if poppy cultivation were abolished.

(b) Revenue other than land revenue derived from internal consumption is Rs. 31,526 based on the average of 5 years. The cost to the State of every seer of opium is Rs. 10-7-3 and the sale price derived from one seer is Rs. 33-5-4. No license fee is realised from the vendors.

(c) Revenue other than land revenue derived from export to other States is *nil*.

(d) Revenue other than land revenue derived from sale to the Government of India is *nil*.

Statement No. II, attached, will show the quantity of crude opium produced and payment made to the cultivators. Neither opium is challaned to Ghazipur nor any payment is received from Government.

- (e) Any other form of opium.....nil.
- (ii) The proportion that the total revenue from opium bears to the total revenue of the State is about 7 per cent.
- (iii) No separate staff exists for the regulation and control of cultivation and manufacture of opium. Opium is sold to the public through Customs Nakedars and Commission Agents.
- (iv) No person is permitted to cultivate opium without pass and therefore no loss of revenue due to illicit practice is possible.
- (v) There are no cases of opium smuggling from outside the State and hence no loss of revenue.
- (vi) The present cost of opium is 7 tolas per rupee and the selling price is 3 tolas per rupee. The policy of gradually raising the selling price can be adopted in case the neighbouring States will fix uniform rate of selling opium.

(vii) *Present source of supply.*—At present opium is imported from Mewar. It will not be advisable to import opium from Ghazipur as long as the quality of Ghazipur opium is not tested and its price is not known.

The cost of produce of crude opium is Rs. 7-13-0 per seer and the cost thereon for manufacturing, warehousing, dryage and other charges is Rs. 5-2-6 per seer while the cost of importing opium per seer is Rs. 10-7-3 including charges of freight and other incidental expenses, etc.

(viii) No opium is cultivated for the Government of India.

II. *Consumption in the State.*

(1) Opium is used by the public on occasion of marriages, deaths and other ceremonies in the form of dry opium or Kusumba. The infirm and old people also eat opium. The extent to which opium is used is about 1 tola. Practice of administering opium to children is diminishing day by day. However in some cases opium is given in very small quantity.

(ii) The opium is used in ball form.

(iii) Nil.

(iv) Every endeavour is made to reduce the consumption of opium to a possible minimum by its sale.

III. *Stock of opium.*

- (1) In possession of Shri Ramchandra Lakshman Bank—
 - (a) Pather Fod Opium—Mds. 7-31½ costing Rs. 4,5981-7.
 - (b) Naram Opium—Mds. 17-13½ costing Rs. 9,265-10-1.
 - (c) Opium Juice—Mds. 16-36 costing Rs. 5,322-9-10.

(2) Customs Department possesses—227 seers and 43 tolas costing Rs. 2,377-5-9..

IV. There is no smuggling in the State. However the Excise Department is vigilant and maintains a staff for the detection and prevention of smuggling.

V. Purchase from Ghazipur—we cannot undertake this so long as Mewar opium is available at a cheaper rate.

VI. Orders have already been issued for the discontinuance of poppy cultivation.

VII. No further information is available.

Statement showing the area and produce of opium of the last 22 years from 1906 to 1927 together with the average yield per acre per year.

Serial No.	Year.	Area in Acres.	Produce.	Mds. Srs. Chb.			Average yield per acre in seers (80 tolas).
				Mds.	Srs.	Chb.	
1	1906	385	145 0 0				15.06
2	1907	762	286 0 0				15.01
3	1908	188	55 0 0				11.70
4	1909	142	34 0 0				9.57
5	1910	282	53 0 0				7.51
6	1911	212	23 37 8				4.51
7	1912	64	3 16 0				2.12
8	1913	117	10 22 9				3.60
9	1914	154	13 18 0				3.23
10	1915	131	3 1 4				.90
11	1916	117½	2 28 13				.92
12	1917	294	13 0 0				1.76
13	1918	1,215	87 36 5				1.24
14	1919	77	2 15 0				1.20
15	1920	288	28 31 6				3.99
16	1921	207	11 21 8				2.27
17	1922	209	9 24 8				1.83
18	1923	11	0 16 4				1.47
19	1924	116	3 12 11				1.13
20	1925	329½	18 25 4				2.26
21	1926	96	1 13 12				.55
22	1927	450	21 4 13				5.59

Statement showing the quantity of crude opium produced and the payment made to the cultivators.

Serial No.	Year.	Crude Opium produced in Mds. (100 tolas).	Cost of produce.		
			Mds. Sr. Chh.	Rs. A. P.	
1	1926	1 2 7½		331 1 0	
2	1927	16 86 0		4,570 6 7	

REPORT FOR THE JAIPUR STATE.

*Khan Bahadur Maulvi MUHAMMAD ASHFAQ HASAN KHAN,
Member of the State Council for P. W. D., Trade and Excise,
is the Committee Member representing the State.*

A Note containing the information required on the Terms of Reference was placed before the Committee by the Member representing the State. As opium is no longer produced in the State, and there are no stocks of old opium in the hands of merchants or private persons, the Committee's discussion has been mainly concerned with the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 20,000 to 25,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible. The assistance required in this connection from States which consume but do not produce opium would be limited to an agreement to purchase from the stocks so collected the opium that may be required from time to time for their internal consumption.

The opium at present consumed in the Jaipur State amounts on the average of the last 3 years to 276 maunds annually, of which three quarters or 207 maunds are biscuit opium and 69 maunds are ball opium.

The Committee understands that the Jaipur Darbar is prepared to assist the scheme outlined above, should it be brought into operation, by purchasing the opium required for internal consumption in the State from the central stocks, provided—

- (1) that the good quality of the opium is guaranteed, and that it meets the taste of consumers in the State;
- (2) that the cost does not exceed Rs. 15 per seer *ex-godown* for ball opium, or a price which the Darbar does not consider excessive for biscuit opium;
- (3) that the authority by which the old stocks are bought and resold to the States makes no profit on the transaction, the price charged being arranged so as merely to cover expenses;
- (4) that the Darbar does not undertake to purchase ball opium for consumption in tracts which at present consume biscuit opium. (The consumption of ball opium at present is practically confined to the Malpura Nizamat.) The Darbar however has under consideration a

scheme for supplying State shops with opium in uniform cakes made up at a State Factory. When this is done, it will be feasible to manufacture the cakes from a blend of biscuit with ball opium. Recognising the greater cheapness of ball opium and the importance, in the general interests, of assisting the consumption of the old stocks of ball opium, the Darbar is prepared to consider the possibility of using an increasingly large proportion of ball opium in the manufacture of the cakes.

2. It is estimated that a period of something like 10 years must elapse before the stocks of old opium will have passed into consumption. After that period the question will arise as to the means by which the States which consume but do not produce opium shall obtain the opium required for their internal consumption. In this connection the Government of India have suggested that States should receive their supply of opium at cost price from the Ghazipur Factory. The President stated that the present cost of opium from the Factory is Rs. 26 per seer. This is considerably greater than the present cost of opium obtained in Central India and Rajputana. It is hoped, however, that the cost of Ghazipur opium will be reduced, when the present large accumulations of stocks at the Factory have been diminished. Moreover the present price of opium in Central India and Rajputana is artificially low, being governed by the fact that there are very large stocks of opium and only a small market available for those stocks. Consequently there must in any case be an increase in the cost price of opium in Central India and Rajputana after the present stocks of old opium have ceased to exist. It is anticipated, therefore, that the disparity in price between the cost of Ghazipur opium and the cost of opium in Central India and Rajputana will be much less at the end of about 10 years than it is at present.

The Committee understands that the Darbar will be prepared to take opium from the Ghazipur Factory, when the old stocks have been exhausted, provided—

- (1) that the opium is supplied by Government at cost price;
- (2) that the price is not greatly in excess of any alternative source of supply;
- (3) that the Factory opium meets the taste of consumers in the State, special measures being taken, if necessary, to manufacture opium of a suitable form and quality.

3. The third question discussed was the possibility of enhancing taxation upon opium in the State, and the financial results of such a policy. The annual consumption on the average of the last three years is 276 maunds, representing, in a population of 2,636,647, an average consumption of 40.2 seers per 10,000.

The present selling price of opium is Rs. 45 per seer. Duty is levied at Rs. 15 per seer, representing on 276 maunds a revenue

of Rs. 1,65,600. License fee realisations go direct to the Malguzars in the Sheikawati Nizamat but elsewhere do the State, the average consumption in Sheikawati being about 95 maunds. On the remaining 181 maunds the State realizes license fee at Rs. 7 per seer on 136 maunds of biscuit opium, in all Rs. 38,080, and license fee at Rs. 11 per seer on 45 maunds of ball opium, in all Rs. 19,800. The total revenue from license fees is thus Rs. 57,880, and the revenue from duty and license fee combined is Rs. 2,23,480. (If license fees in the Sheikawati Nizamat were taken by the State the figures calculated in the same way would be as follows:—

	Rs.
Revenue from duty	1,65,600
License fee—	
On 207 maunds of biscuit opium	57,960
On 69 maunds of ball opium	30,360
	<hr/>
TOTAL	2,53,920

The difference between Rs. 2,53,920 and Rs. 2,23,480, i.e.; Rs. 30,440 represents the amount of potential State revenue taken by the Malguzars and is equivalent to 12 per cent. of the whole.)

Assuming that the selling price were raised to Rs. 100, and that the State's revenue from duty and license fee then amounted to Rs. 70 per seer, and assuming that this would reduce consumption by one half to 138 maunds (representing about 20 seers per 10,000), the total realisations would then be Rs. 3,86,400. In addition the State would derive increased revenue from the absence of smuggling to be expected if, as a result of the present proposals, all old stocks of opium were placed under control and the opium arrangements of all States organised on uniform lines. It is estimated that if smuggling were completely prevented now the increase in consumption would be about 60 maunds. Assuming that these 60 maunds were reduced by the higher selling rate to 30, the additional revenue from 30 maunds at Rs. 70 per seer would be Rs. 84,000. The total revenue from opium would thus be Rs. 4,70,400. If 12 per cent. be deducted from this as the share of the Malguzars, the Darbar's realizations would be Rs. 4,13,952 showing an increase of Rs. 1,90,472 on the present revenue of Rs. 2,23,480.

The Committee understands that the Jaipur Darbar is prepared to raise its selling rates to a degree corresponding as nearly as possible with that in force in British India, provided

- (1) that actual experience confirms the anticipation of financial profit to the Darbar which is given above;
- (2) that the same price is enforced in all neighbouring States;
- (3) that the enhancement is carried out by gradual stages; and

(4) that the Darbar is satisfied that the enhancement does not cause undue hardship to the population.

J. A. POPE, *President.*

ASHFAQ HASAN KHAN,

G. S. HENDERSON,

AZIZUDDIN AHMED,

Members.

Dated Jaipur, the 27th January 1928.

Accompaniments to Jaipur State Report.

Notes about the Terms of Reference of Indian States' Opium Committee.

I. (1) (a) to (e) Not required for this State, because poppy cultivation has been stopped although it is only as an experimental measure and it is just possible that after some experience as is expected, cultivation might be resorted to again.

(2) FINANCIAL.

(a) not required.

(i) (b) Average revenue of three years (Sambat 1981-83) derived from internal *consumption Rs. 2,20,957.

(c) No opium exported. Only unbalanced poppy heads are exported.

The average income derived from such export comes to Rs. 407-8.

Export duty in Sambat 1982 was Rs. 20 per maund and since Sambat 1983 it has been raised to 40 per maund.

(d) not required.

(e) Average duty on poppy heads consumed within the State territory, which can come under the category of (i.e., any other form of revenue) comes to Rs. 1,177-12.

(ii) The proportion of the total opium revenue to total revenue of the State is 1 to 56.

(iii) Expenditure upon the regulation and control of manufacture and distribution of opium comes to Rs. 17,560. This is purely on opium control otherwise the average total expenditure on Excise is Rs. 49,102. There is no cultivation of poppy in the State and hence no expenditure on this account.

Nature of arrangement of such control is:—

There is one Central Opium Godown at Jaipur, where opium is manufactured and imported.

	Mds.
* Sambat 1981	296
Sambat 1982	262
Sambat 1983	270

From this Godown the opium is distributed to the various warehouses or wholesale shops for issue to the retail shops. Surcharge license fee system is in force in the State and so the license fee is realised along with duty before issue to the shops.

The contract of supply is determined by calling for tenders and the suitable offer is accepted.

At present the Contract Price is Rs. 18 per seer for biscuit and Rs. 14 per seer for balls.

The license fee is Rs. 7 per seer for biscuit and for balls it is Rs. 11 per seer. This has been done to make the price uniform as a check to smuggling.

The duty is Rs. 15 per seer both on biscuits and balls. The Preventive Controlling Staff consists of one Excise Superintendent Head of the Department, one Assistant Superintendent, one Senior Excise Inspector and 14 Inspectors, 7 Jamadars and 53 peons.

The issue of opium from the opium warehouse is made by the Excise Inspector and from the wholesale shops where duty paid opium is issued, the agent of contractor issues to the retail dealers.

(iv) *Nil.*

(v) Smuggling of opium from other States into Jaipur territory is estimated to be about 60 maunds, which means a loss of about Rs. 52,800 or say Rs. 60,000.

(vi) Cost price of opium to the vendors is Rs. 40 per seer (Rs. 15 duty, Rs. 7 License fee and Rs. 18 the contract price) whereas the selling price fixed is Rs. 45 per seer. There can be no possibility of raising the selling price, as long as the neighbouring States of Kishengarh, Udaipur, Lawa*, Bundi, Kotah and Karauli do not raise the prices. We are already losing on account of these States. Inspite of this if still the selling price is raised, State's finance will suffer heavily.

Experience of the last three years since the Excise control began, shows that the enhancement of price brings a greater proportion of fall in revenue than the rise in price, e.g., in Sambat 1981 where the retail sale price was Rs. 40 per seer, the opium revenue was 2,53,204.

Whereas in Sambat 1982 when the price was enhanced by Rs. 5 the revenue fell to Rs. 1,95,687 and in Sambat 1983 when the price remained the same it again went up to Rs. 2,13,980, which means an average fall of about 20 per cent. in revenue as compared to rise in prices of $12\frac{1}{2}$ per cent. Hence it is evident that with the rise in price smuggling from bordering States will increase and so it cannot be advised at the present stage.

(vii) The present sources of supply are:—Opium biscuits from Kotah, Jhalawar, Chapra (Tonk) and Chitorgarh (Udaipur) opium balls from Kotah and Chitorgarh (Udaipur).

In the last year 75 maunds opium locally manufactured from the milk of Jaipur and Kotah combined in proportion of 1 to 2, was sold.

* Lawa is not a State but has got its own independent rights.

This year also we have got a stock of 50 maunds.

The rest will have to be imported from outside.

* The proportion of consumption of balls to biscuits is 1 to 4, and in reducing this proportion, i.e., increasing the balls will again mean a loss to the State. Of course in substituting biscuits for balls there is no such apprehension. There might be a fall but it will be insignificant.

The advisability of introducing Ghazipur opium is a very serious question. First of all, it means a clear loss of about Rs. 1,00,000 because there will be a difference of Rs. 8 per seer in the cost price. Ghazipur cost price being Rs. 20 and our supply price being Rs. 18.

Secondly it will not be liked by the Public at least for sometime till the people are accustomed to its taste and effect. Hence there will be a fall in consumption on this account also which would again mean a loss in revenue.

On a total excise income of about 5 or 6 laes such a big fall will be very material and I would rather say unbearable.

(iv) Not required.

II. Consumption in the State.

(i) The opium is mostly swallowed or eaten and not drunk.

The purposes and occasions of the use of opium are:—

(1) its use as habit 27/30 of the total consumption.

(2) Its use among Thakurs for entertainment purposes on marriage occasions 1/30 of the whole consumption.

(3) Its use in administering it to children 1/20 of the whole consumption.

(4) No case of opium smoking den has come to light so far and there appears no complaint of opium smoking.

(ii) Two forms of opium used balls and biscuits.

* (iii) Chief Medical Officer consulted.

(iv) Already dealt with in I (2) (vii).

III. No stock of opium in the State.

IV. It will be no bragging if it is said that the control of opium traffic is so effective that practically there have been no cases of smuggling from the State to British India or other places, as will appear from the statement of cases attached herewith.

In the last three years since the Excise control has begun it will be found that only in one case detected last year at Rewari, it could be ascertained that the accused were residents of Jaipur and went from Jaipur but in this case even the source of supply could not be ascertained otherwise in almost all the cases the accused and their residence could not be verified in the State and in the end it was found that they had given bogus names.

* Reply has since been received that chemical analysis can not be done here.

V. The financial loss which would accrue to the State has already been detailed in I (2) (vii).

As to how far the inhabitants of the State would be prepared to consume Ghazipur opium, I have made private enquiries from the persons who were first living in British India (both United Provinces and the Punjab) and are now living in Jaipur, and have consumed the opium of both the places and the result of enquiry is in negative.

Various qualifications are attributed to Jaipur opium as compared to Ghazipur opium, leaving aside the question of price. Jaipur opium is said to be more cooling. Its intoxication is said to last long, e.g., a man who takes opium three times in twenty-four hours in British India is required to take only twice in the State; the quantity each time remaining the same. The potency of the State opium is also said to be more than Ghazipur opium which I think is true, because while I was at Cawnpore I had challenged a case of smuggling of opium to the extent of $13\frac{1}{2}$ maunds all balls. This opium during the course of trial in the court had to be examined by the Chemical Examiner, Ghazipur. As far as I remember his report was that the balls had 10 per cent. more opium potency in them.

As to whether Ghazipur could produce opium to the taste of Jaipur public, no expert opinion can be given.

It is the Ghazipur factory only which can say whether it can prepare such opium or not.

VI. The policy suggested by the Government of India.

This State has already taken a daring lead in stopping poppy cultivation altogether simply to meet the obligation of the Government of India which she has pledged to the League of nations.

The second question of raising the price of opium to the level of that prevalent in British districts, there appears no objection on the first glance, but if local circumstances are compared, I think the matter will have to be considered twice before final approval is accorded to it.

The reasons are:—

- (1) Generally the State population is not so well off and prosperous as that in British districts and so their means are also much narrower. Hence it deserves lenient consideration in the matter of taxation.
- (2) In Rajputana it is said that the climate requires the use of opium medically as a preventive for the general upkeep of health, and so its use cannot be said to be a luxury only.

Half of the consumption of Rajputana is said to be on account of medical necessity.

Hence it is apprehended that such a high taxation might be considered by the public ruinous to health and create dissatisfaction.

Statement showing the opium smuggling cases detected by the Opium Contraband Bureau.

69

No.	No. of File Exhibit Department.	Date on which arrest was made.	Name of accused.	Quantity and quality of opium seized.	Place where seized.	REMARKS.
1	803/81	23-5-1925	Unknown (Parcel case) B. S. Gupta, Renwal Jaipur.	Mds. Sr. Ch. T. 0 8 8 0 Gola	Kharakpur (Bengal).	Residence not traced.
2	15/81	1-3-1925	Gulab Chand (Parcel case) through Gordhan addressed to P. Bala Bux C/o Postmaster, Kharakpur.	0 0 0 337 Kabli Gola	Ditto	Do.
3	16/81	4-3-1925	(Parcel case) Anoop Chand addressed to Anand Lal C/o Post, Kharakpur.	0 0 0 328 Do.	Ditto	Untraced.
4	80/82	17-6-1925	(Parcel case) Khunda Bux addressed to Abdul Gaffir, Lower Chitpur Road, Ballya, Gajju.	0 0 0 197 D. I. O. Bengal	Ry. Stn, Agra Fort	One year's rigorous imprisonment and one month's soli- tary confinement and fine Rs. 50.
5	10/82	8-7-1925	Ramchander village Odessa, Jaipur State.	0 4 14½ 0	Sahawar (Etah District).	Untraced.
6	36/82	8-7-1925	Jawahir, son of Lukhii.	0 0 3 0	Sahawar (Etah District).	Fined Rs. 15.
7	48/82	9-7-1925	Kahan Singh, son of Har Pux Singh Rajput, resident of Parao (Jaipur).	0 2 13 0	Sirsia	Not traced.
	87/82		Ramchand Singh, son of Pirbhu Chamari.	0 0 0 86 Malwa	Amritsar	Not traced.

Statement showing the opium smuggling cases detected by the Opium Contraband Bureau—contd.

No.	No. of File Excise Department.	Date on which arrest was made.	Name of accused.	Quantity and quality of opium seized.	Place where seized.	REMARKS.
8	29/82	16-7-1925	Habibullah, son of Dost Mohammad of Bisau, Jaipur.	Mds. Sr. Ch. T.	Ry. Stn., Rewari	Shokhawati case, sender not traced.
9	34/82	29-11-1925	Krishna, son of Khem Chamor of Purbatpur, Jaipur.	0 27 10 0 Malwa	Ry. Stn., Rewari	Untraced.
10	147/82	25-3-1926	Balji, son of Jawahar Singh of Gonnad, Khetri.	0 1 2½ 0 Do.	Ditto	Untraced.
11	121/82	26-3-1926	Bundri Das Bhola Ram Sagarmal Singh of Nawalgarh, Jaipur.	0 8 0 0 0 11 0 0	Ry. Stn., Raxaul	Not traced.
12	149/82	11-5-1926	Imdad Hussain, son of Amir Shah Fazir of Ghat gate, Jaipur City.	0 2 4 0 State Opinn.	Agre	One year's rigorous imprisonment and fine Rs. 50.
13	150/82	3-7-1926	Mohammad Bhatacharyaji through suppliers Chhannu Mian and Ram Dhan Seth.	1 20 2½ 0 Gola Opium.	Ry. Stn., Howrah	Untraced.
14	Rajputana O.C. Bureau Gazette, to,	15-4-1927	Not known	1. 7. 0 2	Jhalar- war Opium.	Ry. Stn., Bandikui (Jaipur).
						Unclaimed. Case detected in Jaipur territory, but accus- ed not traced, as belonging to the State.

15	Ditto	16-3-1927	Maya Ram, Birdhi Chand, Badri (of Jhunjhnu).	<table border="0"> <tr> <td>0 21</td><td>0</td><td>0</td> </tr> <tr> <td>0 10</td><td>0</td><td>0</td> </tr> <tr> <td>0 11</td><td>0</td><td>0</td> </tr> </table>	0 21	0	0	0 10	0	0	0 11	0	0	<table border="0"> <tr> <td>R.Y. Stn.,</td><td>Gadhi</td> </tr> <tr> <td>Harsaru.</td><td>Untraced.</td> </tr> </table>	R.Y. Stn.,	Gadhi	Harsaru.	Untraced.
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R.Y. Stn.,	Gadhi																	
Harsaru.	Untraced.																	
16	Ditto	9-3-1927	Gulab Chand	<table border="0"> <tr> <td>0 20</td><td>12</td><td>0 Jaipur</td> </tr> <tr> <td>0 10</td><td>12</td><td>0 Opium.</td> </tr> </table>	0 20	12	0 Jaipur	0 10	12	0 Opium.	<table border="0"> <tr> <td>Chittagaon (Bengal)</td> <td>Consignor or Consignee not traced.</td> </tr> </table>	Chittagaon (Bengal)	Consignor or Consignee not traced.					
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0 10	12	0 Opium.																
Chittagaon (Bengal)	Consignor or Consignee not traced.																	
17	Ditto	12-8-1927	(1) Bhura Ahir, son of Lachhman village Kitoli (Jaipur). (2) Rewar, son of Chunna Ahir, village Saroli (Jaipur).	<table border="0"> <tr> <td>0 5</td><td>0</td><td>12 Mewar Opium.</td> </tr> </table>	0 5	0	12 Mewar Opium.	<table border="0"> <tr> <td>R.Y. Sta.,</td><td>Bhilwara</td> </tr> <tr> <td>(Mewar State).</td><td>Ditto.</td> </tr> </table>	R.Y. Sta.,	Bhilwara	(Mewar State).	Ditto.						
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R.Y. Sta.,	Bhilwara																	
(Mewar State).	Ditto.																	
18	Ditto	17-8-1927	Narain, son of Ganga Bux, servant of Naru Lal, agent of R. B. Seth Tkam Chand, Jaipur.	<table border="0"> <tr> <td>0 0</td><td>0</td><td>5½ Do.</td> </tr> </table>	0 0	0	5½ Do.	<table border="0"> <tr> <td>Mandal (Niwai)</td><td>Ditto.</td> </tr> </table>	Mandal (Niwai)	Ditto.								
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Mandal (Niwai)	Ditto.																	
19	Ditto	25-8-1927	Sewai Singh, son of Ugn Singh, Rajput of Loharwara, P. S. Chomu Samodin (Jaipur).	<table border="0"> <tr> <td>0 0</td><td>0</td><td>11 Kotah Opium.</td> </tr> </table>	0 0	0	11 Kotah Opium.	<table border="0"> <tr> <td>R.Y. Stn., Reengus</td><td>Ditto.</td> </tr> </table>	R.Y. Stn., Reengus	Ditto.								
0 0	0	11 Kotah Opium.																
R.Y. Stn., Reengus	Ditto.																	
20	Ditto	26-8-1927	Chhote Khan of Khatauli (Jaipur)	<table border="0"> <tr> <td>0 8</td><td>12</td><td>0 Do.</td> </tr> </table>	0 8	12	0 Do.	<table border="0"> <tr> <td>R.Y. outpost No. 15 between S. Madhopur and Rawajin, Dungar.</td><td>Untraced.</td> </tr> </table>	R.Y. outpost No. 15 between S. Madhopur and Rawajin, Dungar.	Untraced.								
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REPORT FOR THE JAISALMER STATE.

Rao Bahadur MURARJI RAOJI SAPĀT, Diwan of Jaisalmer State, is the Committee Member representing the State.

A Note containing the information required on the Terms of Reference, supplied by the Diwan on behalf of the Darbar, is recorded by the Committee as an accompaniment to this Report.

There is no poppy cultivation at present in the State, but the Darbar reserve their inherent right of opium production. There are no stocks of opium in the hands of merchants or private persons. The opium required for internal consumption is imported by licensed wholesale dealers, mainly from Kotah, Jhalrapatan and Chihabra in the Tonk State. Duty at Rs. 275 per maund is recovered on behalf of the Darbar at the Pali Warehouse of the Jodhpur State, out of which Rs. 5 is retained by Jodhpur by way of commission and Rs. 270 is credited into the Western Rajputana States Treasury and by it remitted to Jaisalmer. The wholesale dealers then stock the opium in their own godowns and sell it on demand to the licensed vendors. The import duty realized by the Darbar has averaged in the last 3 years Rs. 56,519 annually, representing at Rs. 270 per maund average annual imports of 209 maunds 13 seers. Assuming this to be the annual consumption it represents in the population of 67,701 an incidence of 1236.8 seers per 10,000 of population. The State also realizes a revenue from fixed license fees and stamps averaging Rs. 2,960 annually, so that the total opium revenue averages Rs. 59,479 or approximately Rs. 7 per seer of consumption. The opium is biscuit opium. It is stated to cost about Rs. 17.8 per seer at the place of purchase, and to be sold to the public in Jaisalmer at about Rs. 27.8 per seer.

The Committee's discussion has been mainly concerned with the following points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 25,000 to 30,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible.

The Jaisalmer Darbar are prepared to assist the scheme outlined above, should it be brought into operation, by purchasing from the central stocks the opium required for internal consumption in the State, provided—

(1) that the opium is of good quality, and suitable to the taste of consumers in the State; and

(2) that the cost of the opium is not much in excess of the cost of any alternative source of supply, and if it is much in excess the Darbar will be at liberty to buy from other sources.

2. The Committee then discussed the suggestion of the Government of India that the States should, after the stocks of old opium are exhausted, obtain their supplies of opium from the Ghazipur Factory.

The Jaisalmer Darbar will be prepared to take opium from the Ghazipur Factory, after the old stocks of opium in Central India and Rajputana have been exhausted, provided that the two conditions specified under paragraph 1 above are fulfilled.

3. The third question discussed was the possibility of enhancing the taxation and retail sale price of opium in the State.

The Jaisalmer Darbar agree generally with the policy of maximum revenue from minimum consumption and are prepared by increasing the duty to raise the selling rate of opium in the State to a degree corresponding as nearly as possible with that in force in British India, provided—

- (1) that the enhancement is carried out by gradual stages;
- (2) that a price not lower than that in force in Jaisalmer is adopted in all the neighbouring States; and
- (3) that the Darbar are satisfied that the enhancement does not cause undue hardship to legitimate consumers.

4. The Committee discussed finally the probable cause of the very high incidence of opium consumption in the Jaisalmer State. It appears from the Darbar's Note which forms an accompaniment to this Report that the high consumption is attributable in part to the addiction to opium eating of the population generally, to the fact that the use of other intoxicants such as country liquor and hemp drugs is very rare, and to the extended use of opium for medicinal and veterinary purposes. The Darbar have no evidence that opium is smuggled out of the State on any large scale. They recognise, however, that the system of bulk storage of opium in wholesale dealers' godowns is not entirely satisfactory as it might lend itself to abuse; and they are prepared to consider as soon as may be practicable the advisability and feasibility of a system of storage in a State warehouse and issue direct from the warehouse to retail vendors. This system, by saving the wholesale dealers' profits, would probably be financially advantageous to the State.

J. A. POPE, *President.*

M. R. SAPAT,

G. S. HENDERSON,

AZIZUDDIN AHMED,

Members.

• Accompaniments to Jaisalmer State Report.

Replies from the Jaisalmer Darbar to the Terms of Reference received under cover of the Resident W. R. S. No. 2353/32/27, dated the 14th December 1927.

(2) FINANCIAL.

(i) (b) Opium is not cultivated in this State and, so, no land revenue is derived therefrom. Revenue, other than land revenue, derived from internal consumption, based on the average of the last 3 years, amounted to Rs. 56,519. This sum represents the duty at the rate of Rs. 270 per maund, realized at the Pali Warehouse in Marwar, by the Customs officials of that State, on opium, in transit to this State, and remitted to this Darbar through the Treasurer, Residency, Western Rajputana States.

(c) Export of opium is strictly prohibited and so there could be no revenue under this head.

(e) Other form of revenue derived from opium is the license fees fixed at Rs. 51 for the wholesale dealers and Rs. 25 for retail-sale dealers. There were, taking the average of the last 3 years, 12 and 89 wholesale and retail-sale dealers respectively. The income from this source, including the cost of stamps affixed on applications for the grant of licenses and permits for the import of opium, amounted to Rs. 2,935.

(ii) The proportion that the total revenue of all kinds from opium bears to the total revenue of the State is 14 per cent.

(iii) Opium is neither cultivated nor manufactured in Jaisalmer State. The local requirements are met by imports from outside by the licensed wholesale dealers, who sell it to licensed retail-sale dealers who, in their turn, vend it to the consumers in the various parts of the States. No export of opium is allowed.

(v) No case of smuggling of opium from outside the State has ever come to notice.

(vi) The cost price per maund of opium is roughly estimated to be Rs. 1,045 as under:—

Rs. 700 on account of the cost per maund in the market from which it is imported.

Rs. 275 Duty per maund of opium collected at the Pali Warehouse in Marwar on behalf of this Darbar. After deducting the sum of Rs. 5 on account of commission for services rendered by the Marwar Customs officials, the balance of Rs. 270 is credited in the Western Rajputana States' Residency to the account of this Darbar. The amount so credited is remitted to this Darbar by the Residency Treasurer.

Rs. 50 Commission and Transport expenses, etc., and
Rs. 20 Margin of profit at which it is sold by wholesale dealers.

Rs. 1,045 Total.

This, therefore, roughly represents the cost price which a retail sale dealer has to pay to a wholesale dealer for a maund of opium.

The retail sale dealer sells it roughly at a profit of Rs. 1 per seer or Rs. 40 per maund. So the selling price of opium would, thus, be in the vicinity of Rs. 1,100 per maund.

It might be added in this connection that the selling prices vary, from time to time, with the prices ruling in the markets from which opium is imported and they are, to some extent, affected also by the seasonal variation in the rates of hires of camels for transport from Railway station to here and under these circumstances there could be no fixed cost or selling price.

Since the State does not import and issue opium to contractors or licensed dealers, the only way in which the selling price can be raised is to make an enhancement of duty. This question engages the attention of the Darbar but it involves the consideration of various factors such as the absence of any other forms of intoxicants; poverty of people in general by whom opium is used not only as an intoxicant but also as a medicinal drug for treatment of their live-stock and the social customs and traditions which prescribe the use of opium on occasions of betrothals, marriages, childbirths, funerals, festivals and also for the celebration of resumption of relations of cordiality and amity between individuals or families after a period of rupture. Reduction in consumption under these circumstances could only be very gradual.

(vii) At present opium for interior consumption is imported mainly from Kotah and partly from Jhalawar and Chhabra. All such imports are covered by permits. Opium is imported by the wholesale dealers and sold in retail by the retail sale dealers to the consumers and not by the State.

If the Ghazipur opium excels in quality and compares favourably as to its price with that obtainable in other markets, there could be no objection to its being ultimately imported from Ghazipur in preference to other places.

II. Consumption in the State.

(i) Opium is the only intoxicating drug which is habitually used by the bulk of the people in Jaisalmer territory and on occasions of betrothals, marriages, childbirths, funerals and principal festivals the chief entertainment that is provided everywhere by the host to the guest is opium. Again most of the people in Jaisalmer are camel and cattle breeders and they use opium medicinally—internally and externally—in certain ailments of their live-stock. There are men who take habitually twice a day a dose of opium weighing 3 tolas at a time. Whereas to children it is also given but it is rubbed on sand stone once to thrice according to the age of the child and then given mixed in milk or water.

(ii) Biscuit opium is imported and used in this State.

(iii) It is taken in raw state or it is dissolved in water and then taken.

(iv) Reduction in consumption of opium could, for reasons given in para. I supra, only be gradual. The end in view can be achieved by slow progressive increases in import duty which will bring about from time to time a proportionate rise in its selling price.

III. Stocks of Opium in the State.

No stock is maintained by the State. The balance with the wholesale and retail-sale dealers on the 31st October 1927 was about 56 maunds which, considering the multiplicity of occasions, the manner and the quantities in which it is consumed at present, *vide* para. II (i) above, is not much.

IV. Smuggling out of the State.

The State is divided for administrative and other purposes, into 16 Hakumats (Districts) and 2 sub-Hakumats. The designation of the Officer in charge of a Hakumat is Hakim and of that in charge of a sub-Hakumat is Naib Hakim. Under these officials (17 Hakims and 3 Naib Hakims including one Relieving Hakim and one Naib Hakim) there are again 10 Mohrirs, 107 Sowars and 36 Paidals. The Hakims, the Naib Hakims and their staff do customs, revenue, judicial and other work. The yearly expenditure is approximately Rs. 20,000 and so the emoluments which they receive for performing customs work may roughly be calculated to be Rs. 5,000 per annum. Besides these there are, in all, 54 Chowkidars and Girdawars who are stationed at various places adjoining the different trade routes and who collect taxes, issue and check customs passes and also do patrolling duties with a view to prevention of smuggling. The payments to these Chowkidars, etc., come to about Rs. 3,000 per annum and they do purely customs work; so Rs. 5,000 *plus* Rs. 3,000, *i.e.*, Rs. 8,000 is the amount yearly paid for customs work in the districts.

At the capital, the Customs Officer has under him 2 clerks, 2 Kotwals, 9 Chowkidars and Girdawars and 1 Chaprasi. They do purely customs work and the annual expenditure roughly comes to Rs. 1,300.

A Secretary, 2 Clerks and 1 Chaprasi annually costing Rs. 800 are attached to the Mehkmakhas for checking and supervision work. So the total expenditure at the Capital in connection with Customs work is Rs. 2,100 which if added to the amount Rs. 8,000 spent in various districts in connection with this work and to Rs. 900 on account of Printing charges and contingent charges, gives the total of Rs. 11,000 per year.

The accounts and statements along with duplicates of passes received from the various Hakumats and the Customs Office at the Capital are checked and audited by the Secretary and his staff attached to the Mehkmakha's.

(iii) It is taken in raw state or it is dissolved in water and then taken.

(iv) Reduction in consumption of opium could, for reasons given in para. I supra, only be gradual. The end in view can be achieved by slow progressive increases in import duty which will bring about from time to time a proportionate rise in its selling price.

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At the capital, the Customs Officer has under him 2 clerks, 2 Kotwals, 9 Chowkidars and Girdawars and 1 Chaprasi. They do purely customs work and the annual expenditure roughly comes to Rs. 1,800.

A Secretary, 2 Clerks and 1 Chaprasi annually costing Rs. 800 are attached to the Mehkmakhas for checking and supervision work. So the total expenditure at the Capital in connection with Customs work is Rs. 2,100 which if added to the amount Rs. 8,000 spent in various districts in connection with this work and to Rs. 900 on account of Printing charges and contingent charges, gives the total of Rs. 11,000 per year.

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At the capital, the Customs Officer has under him 2 clerks, 2 Kotwals, 9 Chowkidars and Girdawars and 1 Chaprasi. They do purely customs work and the annual expenditure roughly comes to Rs. 1,300.

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The accounts and statements along with duplicates of passes received from the various Hakumats and the Customs Office at the Capital are checked and audited by the Secretary and his staff attached to the Mehkmakhas.

It will thus be seen that the arrangements made leave very little room for smuggling of commodities including opium either into or out of the State.

V. Purchase from Ghazipur.

There is, as said above, no objection to the purchase at cost price of opium from Ghazipur provided it compares favourably with that obtaining in the markets from which it is at present purchased and imported, viz., Kotah, Chhabra and Jhalawar, and provided also Ghazipur could produce opium suited to the taste and needs of the consumers in this State.

VI. The Policy suggested by the Government of India.

Poppy is not now cultivated in this State. The question of purchasing opium from Ghazipur and that of raising the selling price have already been dealt with in the answers given above.

VII. General.

No other forms of intoxicating drugs such as Ganja, Charas, Bhang or spirits are used by people in general.

Copy of a letter No. 708G/504, dated the 18th March 1928, from the Dewan, Jaisalmer State, Jaisalmer, to the President, Opium Committee, Mount Abu.

With reference to your telegram No. 441/47, dated the 15th received here this morning the 18th March 1928, I have the honour to subjoin a statement giving therein separately for each of the last 3 years, the total opium revenue under the heads of Duty, License fee, etc..

Opium Revenue..	1924-25.	1925-26.	1926-27.	Total..
	Rs. A.	Rs. A.	Rs. A.	
1. Duty	57,806 0	53,799 0	57,953 0	1,69,558 0
2. License fee	3,063 0	2,863 0	2,661 0	8,587 0
3. Stamps	101 8	91 8	100 8	293 8
Total	60,970 8	56,753 8	60,714 8	

2. The total consumption in the State during the year 1926-27 ending on the 31st October 1927 was about 431 maunds. The information in respect of total consumption for the years 1924-25 and 1925-26 will be supplied on receipt of figures from the Hakims who have been asked to-day to furnish the same.

REPORT FOR THE JHALAWAR STATE.

Lieut.-Col. R. A. E. BENN, C.I.E., Chief Minister, is the Committee Member representing the State.

A Note on the Opium Question with Appendices, supplied by the Revenue Minister on behalf of the Darbar, is placed on the record.

The Committee unanimously records the following conclusions.

I.— OLD STOCKS OF OPIUM.

The following are the stocks of opium in the possession of licensed wholesale dealers in the State:—

	Mds.	Srs.
Ball opium	255	25
Biscuit opium	158	12
Broken old opium	138	29
TOTAL	552	26

These stocks are possessed for the purpose of the export trade, which goes mainly to Jodhpur and Bikaner but also occasionally to other States. Exports in the last three years have averaged 242 maunds annually. The stocks in hand are therefore sufficient for $2\frac{1}{2}$ years' requirements of the trade as it exists at present. The merchants import both crude and hard opium and manufacture it into biscuit opium. They have also used in the past a good deal of locally produced opium, as is evident from a comparison of the total import with the total export figures. At present, however, poppy cultivation in the State is confined to the State's demand for opium to be sent to Ghazipur under the agreement with the Government of India, and only opium rejected as unsuitable for the Ghazipur Factory or produced in excess of the Government demand is sold to the merchants by the Darbar, to whose officers all crude opium must be delivered by the cultivators. The Darbar have also very recently prohibited the import of opium. There is consequently no authorized source from which the merchants' stocks can now be replenished except rejected or excess opium sold to them by the Darbar.

The export trade, averaging 242 maunds annually, is calculated to give a profit to the merchants of Rs. 50 per maund or Rs. 12,100 annually. The State levies an export duty of Rs. 20 per maund on opium previously imported and of Rs. 35 on local produce. Assuming the average duty to be Rs. 22 per maund the revenue from this source is Rs. 5,324.

The Darbar desire, if possible, to retain this trade, which is profitable in some degree to the State, the merchants and the workers employed in manufacture. The Darbar however recognise that the licensed wholesale dealer system is unsatisfactory, since

it fails to provide the security and control which modern standards require in all opium dealings, and that it must be replaced before long by a form of the State monopoly system which will ensure full State control at all stages. The Darbar have already taken a step in this direction by prohibiting imports. They are prepared to take the further step of bringing all the merchants' stocks into a State godown and permitting manufacture and export only in and from the godown under the supervision of State officers.

The Committee has discussed the further question of the action to be taken with regard to these stocks in the event of a general scheme coming into operation for the purchase by a central authority and the warehousing of all the old stocks of opium in Central India and Rajputana and their re-sale to consuming States. The Darbar recognise the general advantage of this scheme and are prepared to assist it; and they will consider, when the scheme is placed upon a definite basis, the possibility of reducing or foregoing the present export duty upon such stocks of merchants in the State as may be purchased under the scheme.

II.—PRODUCTION OF OPIUM IN THE STATE.

The State has an agreement with the Government of India for the production annually of a quantity of 460 maunds of crude opium. The normal output of the State opium lands is estimated at 8 seers per acre, so that 2,300 acres (or 5,750 local bighas) are normally required to produce the agreed quantity.

The Committee has considered the question of the loss to State revenues that would result if this cultivation were abandoned, and records the following conclusions.

The State pays to the cultivators for their opium a sum less by Rs. 3 per seer than the payment received from the Government of India. But expenditure is incurred on account of the Joint Opium Officer and his establishment, amounting to 3 annas per seer, and also on account of certain weighment expenses and contingencies, amounting on the figures of 1926-27 to 1 anna 7 pies per seer. The net profit to the State may therefore be taken to be Rs. 2-11-5 per seer, and this amounts on a normal production of 460 maunds to Rs. 49,929.

Under the Settlement in force an extra cess is imposed upon land cultivated with the poppy of Rs. 3 per bigha on land classed as *adan* at the time of the Settlement and of Rs. 5 per bigha on land brought under irrigation since the Settlement. The extra cess thus imposed is found to average Rs. 3-4-5½ per bigha. This would be lost if poppy cultivation ceased, and the loss under this head is therefore estimated at $5,750 \times \text{Rs. } 3-4-5\frac{1}{2}$ or Rs. 18,847.

It is claimed also that if poppy cultivation ceased, some of the land that is now *adan* would revert to dry crops, necessitating a reduction of assessment on this land from the irrigated to the dry rate. The difference between the two rates is stated to be Rs. 3-12

per bigha or Rs. 9-6 per acre. It appears, however, from a comparison of the figures of acreage under poppy and total irrigated area, that fluctuations in the former do not necessarily produce corresponding changes in the latter. Thus in 1905-06, at the height of opium production prior to restriction of the China trade, there were 3,511 acres under poppy, 8,054 wells and 9,008 acres under irrigation. In 1915-16, when opium production reached its lowest point, the corresponding figures are 715, 4,053 and 8,129. For 1926-27 the figures are 2,145, 4,834 and 9,703. It is clear that the stopping of the China trade caused a great reduction in the number of wells but a small total reduction in the irrigated area, the poppy being replaced, when wells remained in use, by other irrigated crops demanding less water and therefore giving a bigger irrigated area under each well. The decrease of irrigated area caused by the stopping of the China trade was thus only about 900 acres, or ten per cent., though the number of wells decreased by nearly 50 per cent.

In these circumstances the Committee, while recognising that some decrease in the total irrigated area would probably follow if the present poppy cultivation were abandoned, considers that no definite estimate is possible of the loss of irrigation revenue that would be involved.

The State also derives a revenue of Rs. 887 annually from export duties on poppy seeds and oil, and a miscellaneous revenue from fines and confiscations in connection with poppy cultivation averaging Rs. 1,882.

On the other hand it is reasonable to suppose that if cultivation ceased there would be a considerable increase in the sales of opium at State shops. The present selling price is Rs. 40 per seer, out of which the State derives a revenue from duty and license fee of approximately Rs. 30 per seer. Assuming that the sales might increase by 20 seers per 10,000 of the population, i.e., in the population of 96,182 by 192 seers annually, the extra revenue would be Rs. 5,760.

The net loss that would be incurred if poppy cultivation were abandoned is thus estimated as follows:—

	Rs.
Loss of profit on sales to Government	49,929
Loss of land revenue	18,847
Loss of customs duty	887
Loss of miscellaneous revenue	1,882
	<hr/>
TOTAL	71,545
	<hr/>
Gain in excise revenue	5,760
	<hr/>
Net loss to the State	65,785

The total revenue of the State from all sources has averaged Rs. 8,22,285 in the last three years. The estimated loss due to stopping poppy cultivation is 8 per cent. of the total revenue.

The prohibition of poppy cultivation would also of course have its economic effect on the cultivator. The Committee has read

with interest the detailed figures, supplied in the Note accompanying this report, of costs of cultivation of poppy and the usual irrigated crops. In the opinion of the Committee the prohibition of poppy cultivation would result in considerable economic loss to the cultivator. This loss is difficult to represent in terms of rupees as it varies from time to time. It is shown in figures supplied that the subsidiary crops usually grown with opium are very profitable and there is no reason why these crops should not be grown as pure crops in the opium land along with a number of other suitable grain crops. The cultivator, however, would lose firstly by the loss of a money making crop and secondly by the difficulties inherent in the substitution of a new series of crops each with their various economic problems. The substitution is at best a slow process and would entail the provision of new seeds, implements, etc., and propaganda would be necessary by a trained practical staff in the villages. The Darbar would welcome assistance from the Central Government in this respect.

The Darbar's views on the general question of retaining or abandoning poppy cultivation are given in the Note accompanying this report. The Darbar desire, in the interest both of the State revenues and of the cultivators, to continue the production of opium so long as a market is available.

III.—FINAL ARRANGEMENTS FOR SUPPLY OF OPIUM FOR INTERNAL CONSUMPTION IN THE STATES OF CENTRAL INDIA AND RAJPUTANA.

The Committee has discussed the suggestion of the Government of India that opium for internal consumption should ultimately be supplied to the States from the Ghazipur Factory.

Assuming that production of opium in Central India and Rajputana had been discontinued, by an arrangement agreeable to the Jhalawar Darbar and other Darbars concerned, the Jhalawar State would be willing to obtain from the Ghazipur Factory the opium required for internal consumption in the State, subject to the following conditions being fulfilled:—

- (1) The opium should be suitable to the taste of consumers in the State.
- (2) The balance of profit to the Darbar, represented by the difference between the cost price of Ghazipur opium and the warehouse rate then in force in the State, should not be less than the present difference between the cost price and warehouse rate, which is approximately Rs. 24 per seer.

IV.—THE POSSIBILITY OF ENHANCING TAXATION UPON OPIUM AND THE PROBABLE FINANCIAL EFFECT OF THIS POLICY.

The Jhalawar Darbar consider that taxation upon opium in the State cannot be increased to the level of the taxation now in force in British India without causing undue hardship to those

who require the drug for legitimate purposes. A considerable increase in the present retail-sale price of Rs. 40 per seer could however be effected, provided that it were carried out by gradual stages and that the same price were enforced in neighbouring States.

In the Darbar's opinion the maximum retail-sale price of opium that could safely be enforced in the State would probably be about Rs. 80 per seer. The consumption in the State in 1926-27 was 21 maunds, representing in the population of 96,182 an average consumption of 87.3 seers per 10,000 of population. The revenue from duty and license fee in that year was Rs. 9,338. But the Darbar have only recently increased the selling price to Rs. 40, and the effect of this increase both in reducing consumption and in increasing the taxation profit is not reflected in the figures of 1926-27.

Assuming that the selling price were raised ultimately to Rs. 80 per seer, and that the Darbar's profits were then Rs. 50 per seer, and assuming that consumption fell to 40 seers per 10,000, the total consumption would then be 385 seers and the revenue would be Rs. 19,250.

J. A. POPE, President.

G. S. HENDERSON.

AZIZUDDIN AHMED.

R. A. E. BENN, Lt.-Col.

Members.

Dated Jhalrapatan, the 10th February 1928.

Accompaniments to Jhalawar State Report.

Jhalawar Durbar's Note on the Opium Question.

(1) *The extent to which opium is cultivated in each State.*

The figures for the last 22 years are given in Appendix I. The acreage during 1926-27 was about 2,145 and the average for the last 3 years comes to 2,584 acres.

(2) *The quality and nature of the lands on which it is cultivated and the amount of irrigation required and the nature of the arrangements for such irrigation.*

Opium is generally cultivated on rich black soil, which is considered to be highly retentive of moisture. Rich brown soil is also sometimes utilised for this purpose. Irrigation is made generally from Wells, Oris, and Tanks by means of leather buckets (Charas). His Highness is however thinking of setting up irrigation pumps at various suitable places. A start has already been made at Golkheri (Gangdhar) and another big pump is in course of being set up at Salotia (Patan). The crop requires seven to nine waterings according to need.

(3) *The liability of the yield of the crop to fluctuate owing to seasonal conditions.*

Almost all the Rabi crops are subject to damage owing to weather inclemencies, excess of heat or cold, frost and hail damaging them all alike. The Rabi crop yield is therefore liable to fluctuate owing to seasonal conditions. Poppy is supposed to be a more stable crop than any other. It may be so to a certain extent, but in a dry place like Rajputana, almost all crops stand more or less on the same footing. If the rainfall is sufficient and timely they grow well, otherwise they fail. Frost is sometimes just as damaging to them as the excess, insufficiency or the inopportune ness of the rainfall. All crops are delicate in the sense that a deviation in the weather conditions from the normal, renders them more or less liable to injury and therefore in the eye of the cultivator the poppy crop holds no exceptional position from the point of view of loss due to seasonal conditions. If it really were so susceptible to injury as is supposed, the cultivator would long ago have abandoned its cultivation as hopeless. But, as it happens, inspite of its uncertainty he finds it to his advantage to grow it. In fact he prefers it to every other crop. It is interesting to note in this connection that there exists a peculiar variety of poppy seed which is very appropriately termed "Rin-Jhar" locally, i.e., "the debt extinguisher".

(4) *The advantages or disadvantages of cultivating opium as compared with other crops from the point of view of the cultivator.*

From the point of view of the cultivator there is no other crop which can be made to take the place of poppy. He has been growing it for generations past, has specialised in its cultivation and he finds it easy to handle and manage. He also realises very well that it gives him a comparatively larger return. The crop satisfies his domestic needs; for, during the early stages of its growth, it keeps his family supplied with vegetables. When the crop matures he feeds his family on porridge made from the seed. He grows along with this crop, such things as onions, garlic, zeera, etc., which while giving him an added profit do not require any extra amount of labour and expense to grow. He does not find the soil to be suitable for potato cultivation. The water in his wells is insufficient for irrigating sugarcane during the hot months of the year. He has a superstition of growing tobacco. Moreover, he knows that it leaves the soil very poor after growth. As regards other crops, such as wheat, barley, zira, rapeseed, cotton, etc., he knows that they leave him a smaller margin of profit. According to his views therefore poppy is the King of all crops. Comparative statements showing the profitable nature of the opium crop are given in Appendices III (a)—III (II). In this connection the following points deserve notice:—

(i) The poppy crop brings an assured profit to the cultivator within the shortest space of time.

- (ii) It requires waterings at a time of the year when there is a sufficient supply of water in the wells unlike sugarcane which requires watering when the water level has gone down. In this State generally the scarcity of water in wells begins to make itself felt from the month of April and of late years the water level, too, has gone down considerably.
- (iii) It thrives perfectly even after a moderate rainfall.
- (iv) Both the green and dried leaves of poppy fetch a price in the market, as also the dried capsules.
- (v) Poppy is preceded by maize, and the rotation can be carried on year after year without any loss of production. In fact, maize which is one of the staple food grains of Jhalawar is best produced only after the soil has been once sown with poppy without any further manuring. Even if one crop fails, the other supports him.
- (vi) The produce is sold at a fixed cash price and the cultivators are spared the worry of looking to the Sahukars or other dealers for its disposal.
- (vii) Before the Rabi crops and opium can be disposed of, poppy seed becomes a source of revenue to the cultivator; and this at a time when he is in sore need of money.
- (viii) The poppy crop is the cultivator's mainstay; for it is the only crop for which he is paid promptly in ready cash—which latter he utilises to pay his dues to the State. Without poppy not only does the cultivator feel insecure regarding his future well-being, but the Durbar are also deprived of the facilities for the realisation of the rent due to their State.

(5) *The possibility of substituting other crops for opium and the effect on the cultivator of such substitution.*

Cotton or sugarcane cannot be regarded as suitable substitutes, the former being an eight-month crop and the latter a ten-month one. Both of these crops and specially the latter exhaust the soil to a very great extent, so much so that the land must be kept fallow for a season to allow of recovery being made. Moreover, about 60 per cent. of the wells give no water after April and therefore it is impossible for the cultivation of sugarcane to be undertaken on any very large scale as that of poppy.

Rotation of maize with wheat gives a smaller outturn and results in the exhaustion of the soil which has to be rested for a season after every two years of such rotation.

The soil is generally utterly unsuited for tobacco or potatoes. These could only be undertaken as garden crops and not on a field scale.

Poppy is admittedly a more profitable crop than any other one. This being so, the effect on the cultivator of substituting any other crop for poppy could not but be disastrous.

(6) *The average revenue derived by the State from opium on account of land revenue, distinguishing revenue from land cultivated with opium for supply to the Government of India, that from land cultivated with opium for supply to other States and that from land cultivated with opium for internal consumption.*

The revenue derived from all opium lands (including Jagir lands) comes to Rs. 21,175 based on an average of the last 3 years. The Durbar have always charged an average extra amount of Rs. 3-4-5½ per bigha on all poppy lands and in view of the profitable nature of this crop the cultivator has always paid this willingly. The above calculation has therefore been arrived at by multiplying Rs. 3-4-5½ by the number of bighas of land placed under poppy cultivation. If poppy cultivation were to cease, it is obvious that this extra rent of Rs. 3-4-5½ per bigha would no longer accrue to the Durbar.

It is regretted that the Durbar cannot give separate figures of land revenue for—

- (a) land cultivated with poppy for supply to the Government of India,
- (b) land cultivated with poppy for supply to other States, and
- (c) land cultivated with poppy for internal consumption,

the reason being that the necessity has never existed of specifying separate areas for purposes enumerated under (b) and (c) owing to the existence in their capital of old stocks which have been supplemented from time to time by import from abroad. The above figure of Rs. 21,175 therefore represents revenue derived from lands cultivated with opium for all purposes.

In this connection it may, however, be pointed out that the cultivation of poppy is so intimately connected with the cultivator's ideas of irrigation that an increase or decrease in its acreage does in consequence affect the entire area of land under irrigation. In other words poppy cultivation is an incentive to increased irrigation. In the year 1900-1901 when poppy was grown in Jhalawar on an extensive scale without any restriction, the area of irrigated land was 13,161 acres. Just before the time that the Durbar entered into an agreement with Government for the supply of crude opium, poppy cultivation had declined a great deal and consequently the area of irrigated land was reduced to nearly 8,000 acres. When, on the entry of the Durbar into an agreement with Government, poppy cultivation was again revived, the area of land under irrigation showed a steady rise and the figures for 1926-27 were 9,703 acres. If poppy cultivation were totally suppressed the Durbar apprehend that the area of land under irrigation would in consequence be reduced by about 1,500 acres; and

this 1,500 acres of irrigated land which once paid the Durbar at the rate of about Rs. 12.8 per acre would now have to be charged at the rate of about Rs. 3.2 per acre, the usual rent of un-irrigated lands. This would mean a further loss to the Durbar of about Rs. 14,000 per annum.

(7) *Revenue other than land revenue derived from internal consumption.*

The total revenue, based on an average of the last 3 years, derived from the sale of opium for local consumption, comes to Rs. 10,084, (vide Appendix VI (a)). The Durbar have had no warehousing system; the rule up to September 1927 has been for the retail vendors to obtain their supplies, under permit, direct from the wholesale dealers. The warehouse charges being nil, the dispensing of opium to the retail vendors does not cost anything to the Durbar. The amount of Rs. 10,084 therefore represents a clear profit to them from the sale of opium for local consumption. The opium shops are kept quite separate from hemp drug shops and this amount does not therefore include revenue derived from the latter.

(8) *Revenue other than land revenue derived from export to other States.*

The total revenue, based on an average of the last 3 years, realised as export duty on opium comes to Rs. 4,815, Vide Appendix VI (b).

(9) *Revenue other than land revenue derived from sale to Government of India.*

The net profit realised by the Durbar under this head, based on an average of the last 2 years, comes to Rs. 53,661. No special establishment is employed solely for the purpose of producing opium for Government. Such supervision work as is necessary is carried out by the existing establishment of the revenue department. It means in other words that if opium cultivation were to cease the Durbar would not thereby save anything on the establishment. They have, however, to incur in this connection an expenditure of about Rs. 4,902 on the Joint Opium Officer's Scheme and other incidental charges. Vide Appendix IX.

(10) *Any other form of revenue.*

In addition to the above sources of revenue connected with opium cultivation, the Durbar also derived an average income of about Rs. 887, (vide Appendix VI (c)) on account of export duty on opium seed and oil extracted from opium seed. In addition they also derive an average income of about Rs. 4,365 on account of fines and confiscations. (Vide Appendix VI.)

(11) *The proportion that the total revenue of all kinds from opium bears to the total revenue of the State.*

The total yearly income of the State taken on an average of the preceding 3 years is Rs. 8,22,285. The revenue from opium bears therefore to the total income of the State an approximate proportion of 1 : 7½ (vide Appendix VI).

(12) *Expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of the arrangements for such control.*

There is no separate staff engaged to supervise the cultivation of opium and its manufacture. The cultivation is however effectively regulated and supervised by the existing staff of the Revenue Department, while arrangements pertaining to its sale, both retail and wholesale, are in the hands of the Inspectors of Customs and Excise Department, no extra allowance being paid by the Durbar to the officers of the Revenue or Customs and Excise Departments for this work.

The Durbar have only recently introduced the warehousing system for the distribution of opium. This, however, involves no extra cost to the State; though a certain amount of loss results in the form of the wastage and dryage of opium. (Vide Appendix VIII).

The Durbar have nothing to do with the manufacture of opium which is carried on by the wholesale dealers independently.

(13) *Loss of revenue to the State due to illicit practices in areas where opium is cultivated.*

In spite of the strict precautionary measures adopted by the Durbar, it undoubtedly is a fact that a large proportion of opium-growing cultivators do keep back a small quantity of their produce for private needs. The quantity could only be very small, for if it were large it would be at once detected.

The population of the State is nearly 96,000, of which 80 per cent. belong to the agricultural class. Out of this number only 4,000 cultivators grow opium. Now even if cent per cent. of them be taken to be opium eaters and 2 rattis be taken to be the dose of each person per day, then the extent of their yearly misappropriation would come to about 9 maunds and 36 seers, thus causing a loss to the State of a sum of about Rs. 2,000.

(14) *Loss of revenue due to smuggling of opium from outside the State.*

The present arrangement for the supply and sale of opium made by the Durbar is that it is supplied to the contractors at Rs. 33 a seer including cost price and duty, to be sold by them in retail at Rs. 40 a seer. Before raising the price of opium to its present figure (i.e., Rs. 40) the retail sale price of opium

to be Rs. 28 a seer. The latter price did not admit of opium being smuggled in, but since the selling price has now been increased there is likelihood of a loss in the revenue from illicit traffic until similar arrangements are made in all other neighbouring States.

(15) *The present cost and selling price of opium, the possibility of gradually raising the latter and the effect upon the State's finances of such a policy.*

The Durbar feel that the sale price at present in force is already a very heavy burden on the consumers and it will inevitably result in the fall of the figures for consumption and consequently of revenue derived from it.

It has been argued on behalf of the Government of India that the loss to the Durbar caused by the stoppage of poppy cultivation would not only be made good by enhanced duties, but that it would in fact be more profitable to them to obtain their supplies of opium from Government. In this connection it has to be submitted that while on the one hand Government complain of the increased rate of consumption in Rajputana generally and emphasise the necessity for its reduction to about the level of the standard set by the League of Nations, on the other hand they give the assurance that enhanced duties would bring in greater profits to the Durbar than they are able to realise at present. These two statements cannot be reconciled with each other. On a poor population like that of Jhalawar the enhancement of duty would certainly have the effect of reducing the rate of consumption and of bringing it down, in due course, to about the level of the standard set by the League. Supposing this millennium was reached, how would Government in that case expect to make good to the Durbar the loss of revenue caused to them in pursuance of this policy. According to the League's standard the opium consumption in Jhalawar, which has a population of nearly one lac souls, ought not to be more than 60 seers. Now, even if the duty were to be raised to a hundred rupees per seer, which could only be done gradually, the total profits of the Durbar from that source would be Rs. 6,000 only. It may also be remarked that it would be simply absurd to increase the duty to such a high level unless the surrounding States did likewise.

(16) *The present sources of supply and the possibility of meeting the demand in the first instance from the stocks held in the State under consideration taken as a whole, and ultimately from Ghazipur, with special reference to the financial results of such a policy so far as these do not fall under the heads mentioned above.*

The sources of supply are as follows:—

(i) Old stocks.

(ii) Imports from abroad.

(iii) "Chik" opium rejected as unsuitable for Factory purposes.

The Durbar have already stopped the 2nd source of their supply namely importation from abroad and now count only on Nos. (i) and (iii).

As regards the remaining part of this proposition the Durbar have made their observations elsewhere. (Vide para. 24.)

(17) *Effect of discontinuance of cultivation of poppy on States that cultivate only for the Government of India and what steps if any can be taken to meet the same.*

See paragraph 25.

(18) *The manner in which opium is used, the purposes for and occasions on which it is used and the extent to which it is used and, in particular, to which it is administered to children.*

Opium is administered generally to children as a sedative and it is taken by aged persons as a tonic. On occasions of festivities, however, it is indulged in as a luxury in the form of Galwan (concoction of opium). The quantity is regulated by the extent of the user's addiction to the habit. The amount given to children is about one ratti per diem while the aged people take more or less from a ratti to two mashas according to their need, though cases of course are not unknown in which it is taken even in such big doses as 2 tolas at a time. A fair estimate of the average would be about 2 rattis per diem. The Durbar consider about 40 per cent. of the population to be opium eaters.

(19) *The forms (ball, biscuits; etc.) in which opium is used in the State.*

Ball opium is generally used for retail vend, but when it is required to be exported to such places as Marwar, Bikaner, etc., it is prepared in the form of biscuits.

(20) *The chemical composition of opium when prepared for consumption in the manner prevalent in the State and its physiological effects upon the consumers when so consumed.*

Opium in the form of balls and biscuits is prepared from "Cheek". In order to put it into that form, Cheek opium is simply treated with linseed-oil, the proportion of oil varying with the form (ball or biscuit) the opium is desired to take. In the preparation of balls 5 seers of oil is mixed with one maund of Cheek whereas if it is desired to manufacture biscuits it is treated with 12 seers of oil.

The administration of opium to children is considered to be injurious, but in the case of aged people it acts and helps them to keep up their vitality.

(21) *The possibility and desirability of effecting a substantial reduction in the amount of opium consumed in the State, the means (increase of selling price or otherwise) by which this could be effected and the financial and other obstacles to such reduction in so far as these have not been dealt with under any of the heads above.*

As has already been remarked an enhancement in the price of opium would certainly have the effect of reducing consumption, but at the same time a recourse to such a measure would most certainly result, in Jhalawar, in a manifest loss to the Durbar. The Durbar do certainly recognise the desirability of checking its use as a luxury and they wish definitely to discourage this pernicious habit in generations still unborn; but they also feel that the adoption of such a policy would hit those people very hard who indulge in the legitimate use of it as a tonic for old age.

When a moderate use of this drug is not considered harmful, there should be a limit up to which a poor man should thus be penalised for no fault of his own.

It would of course be extremely difficult to bring down the consumption in Rajputana to the level of the League standard unless it was considered advisable and justifiable to raise the duty to a very much higher figure than it is at present. Likewise with regard to Jhalawar the Durbar fear that there would always be an appreciable difference between their own standard and that of the League. The reasons are:—

(a) That a large proportion of the population of Jhalawar consists of Sondhia Rajputs whose social customs necessitate the use of the drug on a larger scale than in any other community.

(b) The standard of the education of European countries bears absolutely no comparison to the standard of our people and the latter cannot consequently be depended upon to realise the evil effects of its excessive use as an educated man would do.

The Durbar have, however, already raised the duty on opium to a certain extent and they are further prepared to raise it to a reasonable limit.

(22) *Stocks of opium in the State. Their quantity, by whom they are held, their value, the extent to which they are already under State control and how best they could be disposed of.*

A matter regarding which anxiety has often been expressed by Government in relation to the problem of smuggling is the question of stocks. For reasons to be explained later, the Durbar are

emphatically of the opinion that crude opium is never smuggled but they concur in the view that if smuggling does ever take place from Jhalawar, it is from these stocks. It follows therefore as a natural sequence that as soon as these stocks are got rid of, the question of smuggling will disappear automatically. The total stocks of hard opium in Jhalawar, including Ball, Biscuit, etc., come to 552 maunds 25 seers 14 chhataks, as follows:

	Mds.	Srs.	Chs.
Ball	255	24	13
Biscuits	158	11	11½
Broken-up opium	138	29	5½
TOTAL	552	25	14

This quantity may be roughly valued at about Rs. 2,25,000.

With regard to this matter the Durbar have two suggestions to offer:

- (a) They feel that the Government of India would in its own interests be well advised to buy up all the Jhalawar stocks of hard manufactured opium accepting them at a fair valuation (including export duty) to be made after an examination of their morphine content. When this is done the Durbar would use their best endeavours to guard against any further accumulation of stocks.
- (b) The Durbar would much rather have Government purchase these stocks; but if for some reasons this should not be found to be feasible, they would suggest yet another alternative, namely, that after instituting a very strict and searching enquiry into the exact quantity, they themselves could, if Government so desired, take them over in their charge from private individuals and keep them under proper surveillance in a State Godown for the benefit of owners. After this is done no private person could have access to them except for a legitimate purpose.

The Durbar hope that by resorting to these methods smuggling would almost entirely be checked. Moreover, as the presence of this opium means money tied up, the chances are that the owners, when they feel the pinch of their monetary needs, will perhaps be tempted to dispose of it in some way or another.

Although these stocks are now held by the owners in their own Godowns the Durbar exercise control over them by requiring owners to enter all incoming and outgoing transactions in registers prescribed for this purpose. The Stocks are checked from time to time and these registers are kept at all times open to the inspection of controlling officers, it being understood that no export is ever allowed except under a permit signed by the highest Revenue Officer.

(23) *Smuggling out of the State.—Its causes and prevalence, the preventive agencies in existence, their present effectiveness and the possibilities of their improvement.*

If Jhalawar's culpability in this respect is to be gauged by the number of cases hitherto detected, then this State, it must be admitted, compares very favourably with other States in Rajputana.

The main incentive to smuggling seems to be the enormous difference in the prices prevailing here and abroad.

At each Tehsil there are Inspectors of Customs and Excise who keep a strict supervision over any attempts at illegal disposal of opium. They are helped in their duties by members of the Tehsil staff.

The Durbar are of opinion that if the offence of smuggling is made extraditable between States *inter se* and the Government, the incentive to smuggling will to a certain extent be checked.

(24) *Purchase from Ghazipur.—The advisability and practicability of the purchase of opium by the States from Ghazipur at cost price. How far the inhabitants of the States would be prepared to consume Ghazipur opium and whether Ghazipur could produce opium suited to their taste and needs.*

The policy suggested by the Government of India.—The advisability and practicability of adopting the policy suggested by the Government of India, namely, the discontinuance of cultivation in the States, the purchase of opium by the States from Ghazipur at cost price and the adoption by the States of the policy of maximum revenue from minimum consumption so as ultimately to raise the selling price to a level with that in the adjoining British Districts, thereby removing incentives to smuggling and reducing consumption.

It has been suggested that the producing States should give up the cultivation of opium and buy their requirements for local consumption from Ghazipur at cost price, the reason given being that wherever there is cultivation there is leakage. Whatever reasons Government may have for suggesting this, yet, as the proposal stands, it is really tantamount to "carrying coals to Newcastle".

It is an established fact that the Malwa cultivator produces opium of a better quality and produces it much more cheaply than his neighbour in the United Provinces. The Durbar therefore venture to think that if the proposals made in this behalf by Government have to be given effect to, then it would be very unfair to the people of Rajputana and Central India that they should be made to suffer by being compelled to buy an inferior article at perhaps double the price of production in their own country.

All poppy cultivation is licensed, measured and checked. Estimates of produce are prepared, and as soon as all opium is gathered, the actual weights are recorded by Patwaries in their Khasras. These are compared with deliveries at the time of weighments and any considerable difference brings to light illegal disposal against which the Durbar must in their own interest take severe measures. The cultivators of the State under the Joint Officer's Scheme have a ready market for their opium. They get paid promptly in cash at a rate higher than the market rate, so there is little or no incentive to dispose of produce by illegal means. It is really hard opium that a smuggler prefers, it is easier to handle and involves less risk of discovery. The Durbar are bound to deliver up their produce in its entirety to Government and as opium in its crude form has never up to this time been known to be the subject of smuggling, they cannot understand the insistence of Government on the stoppage of its production in that form. The cultivator not being the source from which smuggling proceeds it is hardly fair to penalise him by stopping his cultivation of poppy. Though the proposition, that wherever there is cultivation there is a leakage, may be true to some extent, yet the leakage, if any, does not in this case assume the shape of smuggling.

It is true that cases of smuggling of opium from Indian States are frequently detected. But smuggling is really a very difficult administrative problem, in fact so difficult that even the Government of India with their huge and efficient staff have not yet been able to find an effective remedy against the activities of the smugglers of cocaine.

A perfect substitute for poppy has not yet been discovered and, looking at the circumstances of the case, it seems doubtful if one will ever be found. Even supposing one was found, it is certain that the cultivators would take some considerable time not less than 15 to 20 years to accustom themselves to the new conditions, while the loss to the Durbar in the intervening period, before the final adoption of the substitute, would be inevitable. In order to assist Government in this matter, the Durbar would willingly consider the advisability of abandoning their unquestionable and inherent right to cultivate poppy—a right which they feel they have been permitted to enjoy by express declarations of Government policy as a matter of internal concern—but they feel that the abandonment of that right must in their case undoubtedly involve very serious financial loss to them; and, peculiarly situated as they are, they simply cannot afford to risk such an eventuality. They are not at all convinced that the abandonment of poppy cultivation and the importation of opium from abroad for local consumption will in any measure adequately compensate them for the loss in their revenues. Government have assured the Durbar that the adoption of the proposed policy would cause them no financial loss. If, after a thorough enquiry into the matter, the Government of India arrive at a fair estimate of the profits derived at

present by the Durbar and by the cultivators from poppy cultivation and will be pleased further to substantiate their assurance by an express undertaking to the effect that they would compensate the State for any difference in revenue between the estimated standard and that which would actually accrue to them by the adoption of the proposed policy, the Durbar would on their part be perfectly willing to forego the right of cultivation. This seems to them to be a fair proposition.

(25) *General.—Any other subjects relevant to the matters mentioned above.*

1. The Jhalawar Durbar fully realise the express international obligations which have been imposed on India by her ratification of the Hague opium convention of 1912 and of the terms of the agreement relating to opium concluded at Geneva in 1924 and 1925 at Conferences held under the auspices of the League of Nations. The Durbar also feel that they must assist the Government of India in the discharge of these obligations by all means in their power which may be consistent with their own safety. They also feel that they cannot afford to be "indifferent to any abuse of opium occurring in their own territories and to the reproach which may thereby be cast on India as a whole in the eyes of other nations".

2. Sincerely as they desire to co-operate with the Government of India in the realisation of this noble ideal, the Jhalawar Durbar feel, on the other hand, that the sacrifice which they are called upon to make in this connection is so great and the making of it is fraught with such serious consequences to themselves that they must bring the extent of its enormity to the notice of the Opium Commission. Big States can perhaps afford to lose a few lacs of rupees for the purpose of accomplishing a good object, but such is not the case with a small State like Jhalawar. An act of charity is a very good thing in itself, but they feel that a charity which financially criples the donor can hardly be termed a righteous act. No Government can view with equanimity a loss of more than $\frac{1}{8}$ th of its total revenues, however conscientious the reasons justifying that loss may be. The Durbar feel that the Opium Commission will undoubtedly appreciate the struggle going on in the mind of the Durbar between what they consider to be their duty to the Government of India and their legitimate anxiety to guard against any measures which might threaten to shake the very foundations of their existence. Their only concern is to safeguard their own existence and the welfare of their people and once their mind is set at rest on this score, they will find themselves free to adopt the policy outlined by the Government of India with an easy conscience.

3. But from the foregoing facts and the following appendices, it would appear that the policy which the Government of India have indicated as offering a possible solution of this difficult

problem, if carried into effect, threatens to injure the interests of the Durbar and their people very seriously.

LOSS TO THE DURBAR.

	Rs.
(1) Profit derived from sale of opium to Government (<i>vide Appendix IX</i>)	53,661
(2) Profit from excess rent charged on opium lands (<i>vide Appendix VII</i>)	21,175
(3) Profit from export of opium [<i>vide Appendix VI (b)</i>]	4,815
(4) Profit from export duties on opium seeds and oil extracted from opium seeds [<i>vide Appendix VI (c)</i>]	857
(5) Loss in revenue threatened to be caused on the discontinuance of poppy cultivation by a corresponding decline in the irrigated area	14,000
(6) Fines and confiscations (<i>vide Appendix VI</i>) . . .	4,365
TOTAL . . .	98,903

LOSS TO THE CULTIVATOR.

The cultivator does not possess natural facilities to grow Sugarcane. For many reasons he does not like to grow Tobacco. From his point of view therefore the next best crop after sugarcane and tobacco is cotton or wheat. Now supposing he eliminated poppy altogether and replaced it with cotton or wheat, then from the figures worked out, it would appear that the total loss to the cultivators, would amount to Rs. 70,656 or Rs. 78,731 accordingly as he grows cotton or wheat. (*Vide Appendix V.*)

LOSS TO TRADERS.

The loss to traders would be equally serious. The trader's profit on every maund of manufactured opium is made up as follows:—

	Rs.
Price of 50 seers of Cheek opium allowing 10 seers for dryage	350
Wages and miscellaneous expenses connected with the manufacture	34
TOTAL . . .	384
Price obtained by sale of 40 seers of opium manufac- tured into cakes at Rs. 12 per seer	480

This gives to the trader a net profit of Rs. 96 on an outlay of Rs. 384, *i.e.*, 25 per cent. gain.

In Jhalawar they make a speciality of manufacturing opium. Consequently large quantities of "Cheek" used to be imported into Jhalawar every year to be manufactured into balls or biscuits and to be re-exported. The industry provides employment for many men. If the opium trade is abolished, these men will be

thrown out of employment. Moreover the traders would be deprived of a profit of about Rs. 12,000 per annum, made up as follows:—

On every 50 seers of crude opium the manufacturer makes a profit of Rs. 96. Assuming imports to be 128 maunds on the basis of the last 3 years' average, we find that the average of profits comes to about Rs. 12,000 per annum.

4. From the figures quoted above it would appear that the Durbar depend to a very large extent for their income upon profits derived from opium and that they stand to lose a revenue of about Rs. 98,903 annually. Similarly the proposed enforcement of the policy threatens to render their cultivators and traders liable to forfeit profits to the extent of about Rs. 70,000 and Rs. 12,000 respectively, which, if the existing state of things had been allowed to remain, would otherwise have accrued to them. The loss to the Durbar alone which represents more than $\frac{1}{3}$ th of their total income is so serious that they cannot but view the whole situation with grave concern. After undergoing many sacrifices, hardships and difficulties, the Durbar have just emerged from an extremely serious financial crisis and they fear that the Government proposal now threatened, will, if enforced, render all possibility of maintaining financial stability in the future very difficult. Innumerable works of vital importance are crying for attention but they have simply to be ignored owing to the Durbar's anxiety to maintain an equilibrium in the annual Budget.

5. The chief concern of Government is the question of smuggling and with regard to this the Durbar have already had an opportunity to remark that as soon as the old stocks are got rid of by sale or are taken into direct control, the evil would disappear from Jhalawar automatically. The Durbar are of opinion that crude opium is not a convenient commodity to smuggle and that it is never actually smuggled. Under these circumstances it is not understood why the abandonment of the right of cultivation should be insisted on.

6. The proposed reduction in the amount of the contract for the delivery of crude opium between the Government of India and the Jhalawar Durbar, if carried into effect, would seriously embarrass the position of the Durbar, while the price of opium which is being paid to the cultivator is already so nominal that any further lowering of it would have the effect of sending a large part of the present poppy area out of cultivation and of substantially reducing the amount of profit to the Durbar.

The curtailment or the ultimate annulment of the contract would of course be a very severe financial blow to the Durbar, but as it would be a matter in which the Durbar would hardly be expected to have any say, they venture to make, apart from the consideration of the question of contract, the two following general suggestions:—

(a) That if, urged by economic or international considerations, the Government of India should ultimately decide to

discontinue purchase of opium from States, let Government, in that case, in fairness to the opium-producing States, leave the non-producing States, and other areas, (e.g., Hyderabad, Mysore, Bikaner, Jodhpur, Ajmer, Deoli, etc.) free to obtain their supplies from the former. Such States and areas should be left entirely free to deal with the opium-producing States in the matter of their opium requirements and the Ghazipur Factory should be expressly forbidden to cater to their needs.

(b) That if Government should insist on the abandonment by States of the right of poppy cultivation it is respectfully prayed that in consideration of such abandonment the Government of India may be pleased to apportion to the Durbars a reasonable share in the profits which would accrue to them in virtue of their opium trade with States and other foreign countries where it would be still in demand.

7. In conclusion the Durbar wish to add that they have in the past readily co-operated with Government in the matter of curtailing poppy cultivation with the result that their income from opium has now fallen by more than 50 per cent., and Patan and Pachpahar which were once very flourishing little towns have now completely gone to ruin owing to the restrictions on the opium trade. Much as the Durbar would like to co-operate with the Government even now, an extremely hard lot has made it quite impossible for them to bear any further financial sacrifices. The present question affects their interests most vitally and they hope that the Government of India would be pleased to view it sympathetically in its application to their case.

APPENDIX I.

Statement showing area put under Poppy cultivation during the last 22 years from 1905-06 to 1926-27 with total produce and average yield per acre.

Year.	Area.			Produce.			Average yield per acre.	
	Acre	Rd.	Pole	Mds.	Srs.	Ch.	Srs.	Ch.
1905-06	3,511	0	35	773	6	0	8	13
1906-07	6,643	3	15	1,514	33	4	9	2
1907-08	4,968	3	0	883	3	0	7	2
1908-09	4,656	1	20	1,018	39	3	8	12
1909-10	4,213	2	0	815	24	3	7	12
1910-11	4,684	0	0	631	12	0	5	7
1911-12	2,522	0	0	295	12	0	4	11
1912-13	2,480	0	0	367	0	0	5	15
1913-14	966	0	0	137	0	0	5	11
1914-15	1,222	0	0	150	0	0	4	14
1915-16	715	0	0	101	0	0	5	10
1916-17	2,931	0	0	785	0	0	10	11
1917-18	3,422	0	0	443	0	0	6	3
1918-19	2,047	0	0	320	0	0	6	4
1919-20	3,331	0	0	340	27	14	4	1
1920-21	3,225	0	0	754	4	16	9	6
1921-22	2,901	0	0	591	37	12	8	0
1922-23	4,868	0	0	1,297	26	7	10	11
1923-24	4,252	0	35	918	16	0	8	10
1924-25	3,729	0	25	906	10	15	10	6
1925-26	1,878	1	21	304	14	2	6	5
1926-27	2,146	3	4	551	20	3	10	13
Total	71,323	0	35	13,920	6	14	164	6
Average	3,242	0	0	635	26	11	7	7.3

APPENDIX II.

Statement showing the total number of Holdings of Pivat alone, Pivat and Mal, and Mal alone with area in Bighas, and the average extent of a holding.

Tehsils.	Total number of Holdings.			Irrigated and Mal area of the Holdings in Bighas.			
	Pivat only.	Pivat & Mal.	Mal only.	Total.	Pivat	Mal.	Total.
Patan	110	355	1,259	2,723	1,223	62,010	63,237.2
Shrichattarpur	1	310	769	1,107	1,105	44,863	45,523
Pachphar	49	764	963	1,776	5,623	50,575	52,594.2
Awar	55	550	507	1,542	3,652	44,213	45,355
Dag	114	1,322	605	2,631	3,652	44,619	47,264
Gangdhar	56	1,279	616	1,951	4,693	72,617	77,293
Total	385	5,510	1,715	10,710	24,215	357,621	377,838

NOTE :—Average holding of a cultivator comes to 4 Bighas Pivat (irrigated land) and 35 Bighas Mal (unirrigated land) approximately.

APPENDIX III-A.

Statement showing net profit to the cultivator derived from the cultivation of Poppy and other crops in rotation on an average holding consisting of 4 bighas Pivat (irrigated land) and 35 bighas Mal (un-irrigated land).

Names of crops with extent of their sowings.	Details of expenses.	Total Expenses.	Details of Produce.	Total value in Cash.	Net profit to the cultivator.
		Rs. A. P.		Rs. A. P.	Rs. A. P.
1. Makka (4 bighas Pivat).	Manure 40 carts, Rs. 20; Ploughing 3 times, Rs. 12; Harrowing, Rs. 4; Seed, Rs. 4; Sowing, Rs. 4; Weeding, Rs. 5; Watching, Rs. 4; Harvesting, Rs. 11-4; Husking, Rs. 4; Rent, Rs. 5.	73 4 0	Makka 40 Mds., Rs. 120; Karbi, Rs. 8; Urad 2 Mds., Rs. 10.	138 0 0	64 12 0
2. Opium (2½ bighas Pivat).	Manure 25 carts, Rs. 12-8; Ploughing, Rs. 17-8; Pathar, Rs. 5; Kor Bandhani, Rs. 1-4; Opium Seed 5 Srs., Rs. 2-8; Other Seeds, Rs. 5; Weeding, Rs. 7-8; Watering 9 times, Rs. 20; Watching, Rs. 5; Land-cing (Liwai-Chirai), Rs. 15; Rent and Tax, Rs. 16-14.	108 2 0	Opium 10 Srs. at Rs. 7 a Seer, Rs. 70; Poppy Seed 5 Mds., Rs. 50; Garlic, Rs. 15; Dhannia 1 Mds., Rs. 13; Vegetables 5 Mds., Rs. 25; Zira 5 Srs., Rs. 2-8.	175 8 0	67 6 0
3. Wheat (1½ bighas Pivat).	Manure 23 carts, Rs. 11-8; Ploughing, Rs. 9; Sowing, Rs. 1-8; Seed 30 Srs., Rs. 6; Weeding, Rs. 2-4; Watering 6 times, Rs. 9; Watching, Rs. 1-8; Harvesting, Rs. 2-10; Husking, Rs. 3; Rent, Rs. 6-10.	52 0 0	Wheat 13½ Mds. at Rs. 5 a Mds., Rs. 67-8.	67 8 0	15 8 0
4. Cotton (10 bighas Mal).	Ploughing, Rs. 10; Seed, Rs. 6; Sowing, As. 10; Weeding, Rs. 25-10; Gathering Kappas, Rs. 10; Bent, Rs. 12-8.	63 12 0	Kappas 10 Mds. at Rs. 9 a Mds., Rs. 90.	90 0 0	26 4 0
5. Turmeric (1½ bighas Mal).	Ploughing, Rs. 5; Seed 15 Srs., Rs. 1-8; Sowing, Rs. 6; Mung Seed, As. 8; Weeding 2 times, Rs. 5; Watching, Rs. 5; Harvesting, Rs. 2-8; Husking, Rs. 7; Rent, Rs. 15-10.	51 2 0	Jowar 18½ Mds., Rs. 56-4; Karbi 1,500 Sheaves, Rs. 7-8; Bhuri, Rs. 1-8; Mung 1½ Mds., Rs. 6.	71 4 0	20 2 0
6. Gram (1½ bighas Mal).	Kharur 2 times, Rs. 6; Ploughing 5 times, Rs. 15; Seed 4½ Mds., Rs. 15-12; Sowing, Rs. 7-8; Watching, Rs. 3; Harvesting, Rs. 9; Rent, Rs. 15-10.	71 14 0	Gram 27 Mds., Rs. 81; Khuri, Rs. 3.	84 0 0	12 2 0
		420 2 0	Total	626 4 0	206 2 0

APPENDIX III-B.

Statement showing net profit to the-cultivator derived from the cultivation of Zira and other crops in rotation in place of Poppy and other crops in rotation on an acreage holding consisting of 4 bighas Pivat (irrigated land) and 35 bighas Mat (un-irrigated land).

Names of crops with extent of their sowings.	Details of expenses.	Total Expenses.	Details of Produce.	Total value in Cash.	Net profit to the Cultivator.
					Rs. A. P.
1. Makka (4 bighas Pivat).	Mannure 40 carts, Rs. 20 ; Ploughing 3 times, Rs. 12 ; Harrowing, Rs. 4 ; Seed, Rs. 4 ; Sowing, Rs. 4 ; Weeding, Rs. 5 ; Watching, Rs. 4 ; Harvesting, Rs. 11-4 ; Husking, Rs. 4 ; Rent, Rs. 5.	Rs. 73 4 0	Makka 40 Mds., Rs. 120 ; Karbi Rs. 8 ; Urnd 2 Mds., Rs. 10.	Rs. 138 0 0	Rs. 64 12 0
2. Zira (2½ bighas Pivat).	Mannure 25 carts, Rs. 12-8 ; Ploughing, Rs. 13-12 ; Seed, Rs. 11-4 ; Weeding, Rs. 10 ; Watering 4 times, Rs. 16 ; Harvesting, Rs. 10 ; Rent, Rs. 9-6.	76 14 0	Zira 33 Mds. at Rs. 3C per Mdl., Rs. 112-8.	112 8 0	35 10 C
3. Barley (1½ bighas Pivat).	Mannure 15 carts, Rs. 7-8 ; Ploughing, Rs. 4-8 ; Seed 24 Srs, Rs. 1-8 ; Sowing, Rs. 1-8 ; Watering 4 times, Rs. 6 ; Harvesting, Rs. 1-8 ; Husking, Rs. 1-8 ; Rent, Rs. 5-10.	29 10 0	Barley 15 Mds. at Rs. 2-8 per Mdl., Rs. 37-8.	37 8 0	7 14 0
4. Cotton (10 bighas Mat).	Ploughing, Rs. 10 ; Seed, Rs. 5 ; Sowing, As. 10, Weeding, Rs. 25-10 ; Gathering Kappus, Rs. 10 ; Rent, Rs. 12-8.	63 12 0	Kappus 10 Mds. at Rs. 9 as Md., Rs. 90.	90 0 0	26 4 0
5. Jowar (12½ bighas Mat).	Ploughing, Rs. 8 ; Seed 15 srs., Rs. 1-8 ; Sowing, Rs. 6 ; Mung seed, As. 8 ; Weeding 2 times, Rs. 5 ; Watching, Rs. 5 ; Harvesting, Rs. 2-8 ; Husking, Rs. 7 ; Rent, Rs. 15-10.	51 2 0	Jowar 18½ Mds., Rs. 56-4 ; Karbi, 1,500 Sheaves, Rs. 7-8 ; Bhuri, Rs. 1-8 ; Mung 1½ Mds., Rs. 6.	71 4 0	20 2 0
6. Linseed (12½ bighas Mat).	Ploughing, Rs. 31-4 ; Seed 1 mrd. 35 srs., Rs. 9-6 ; Sowing, Rs. 6-4 ; Watching, Rs. 6-4 ; Harvesting, Rs. 15-10 ; Husking, Rs. 9-6 ; Rent, Rs. 15-10.	93 12 0	Linseed 18½ Mds. at Rs. 6 per Md., Rs. 112-8.	112 8 0	18 12 0
		Total 388 6 0	Total	561 12 0	173 6 0

APPENDIX III-C.

Statement showing net profit to the cultivator derived from the cultivation of Wheat and other crops in rotation in place of Poppy and other crops in rotation on an average holding consisting of 4 Bighas Piwat (irrigated land) and 35 Bighas Mal (un-irrigated land).

Names of crops with extent of their sowings.	Details of expenses.	Total Expenses.	Details of Produce.	Total value in Cash.	Net profit to the Cultivator.
1. Makkha (4 Bighas Piwat).	Manure 40 carts, Rs. 20; Ploughing 3 times, Rs. 12; Harrowing, Rs. 4; Seed, Rs. 4; Sowing, Rs. 4; Weeding, Rs. 5; Watching, Rs. 4; Harvesting, Rs. 11-4; Husking, Rs. 4; Rent, Rs. 5.	Rs. 73 4 0	Makka 40 Mds., Rs. 120; Karbi, Rs. 8; Urad 2 Mds., Rs. 10.	Rs. 138 0 0	Rs. 64 12 0
2. Wheat (2½ Bighas Piwat).	Manure 38 carts, Rs. 19; Ploughing 6 times, Rs. 15; Seed 1½ Mds., Rs. 10; Sowing, Rs. 2-8; Watering 6 times, Rs. 15; Weeding, Rs. 3-12; Watching, Rs. 2-8; Harvesting, Rs. 4-6; Husking, Rs. 5; Rent, Rs. 9-6.	86 3 0	Wheat 2½ Mds. at Rs. 5 per Mdt., Rs. 112-8.	112 8 0	26 0 0
3. Barley (1½ Bighas Piwat).	Manure 15 carts, Rs. 7-8; Ploughing, Rs. 4-8; Seed 24 seers, Rs. 1-8; Sowing, Rs. 1-8; Watering 4 times, Rs. 6; Watching, Rs. 1-8; Husking, Rs. 1-8; Rent, Rs. 5-10.	29 10 0	Barley 15 Mds. at Rs. 2-8 per Mdt., Rs. 37-8.	37 8 0	7 14 0
4. Cotton (10 Bighas Mal).	Ploughing, Rs. 10; Seed, Rs. 5; Sowing, As. 10; Weeding, Rs. 25-10; Gathering Kappas, Rs. 10; Rent, Rs. 12-8.	63 12 0	Kappas 10 Mds. at Rs. 9 as. Mdt., Rs. 90.	90 0 0	26 4 0
5. Jowar (25 Bighas Mal).	Ploughing, Rs. 16; Seed 30 seers, Rs. 3; Sowing, Rs. 12; Mung Seed, Re. 1; Weeding, Rs. 10; Watching, Rs. 10; Harvesting, Rs. 5; Husking, Rs. 14; Rent, Rs. 31-4.	102 4 0	Jowar 37½ Mds., Rs. 112-8; Karbi 3,000 Sheaves, Rs. 15; Bhuri, Rs. 3; Mung 3 Mds., Rs. 12.	142 8 0	40 4 0
	Total	355 6 0	Total	520 8 0	165 2 0

APPENDIX III-D.

Statement showing net profit to the cultivator derived from the cultivation of Barley and other crops in rotation in place of Poppy and other crops in rotation on an average holding consisting of 4 bighas Piwat (irrigated land) and 3½ bighas Mal (un-irrigated land).

Names of crops with extent of their sowings.	Details of expenses.	Total Expenses.	Details of Produce.	Total value in Cash.	Net profit to the Cultivator.	
					Rs. A. P.	Rs. A. P.
1. Makka (4 bighas Piwat).	Manure 40 carts, Rs. 20 ; Ploughing 3 times, Rs. 12 ; Seed, Rs. 4 ; Sowing, Rs. 4 ; Harvesting, Rs. 10 ; Weeding, Rs. 5 ; Watchung, Rs. 4 ; Rent, Rs. 5. Rs. 11.4 ; Husking, Rs. 12.8 ; Ploughing, Rs. 7.8 ; Seed Manure 25 carts, Rs. 12.8 ; Ploughing, Rs. 2.8 ; Watering, Rs. 10 ; 1 Md., Rs. 2.8 ; Sowing, Rs. 2.8 ; Rent, Rs. 9.6 ; Harvesting, Rs. 2.8 ; Husking, Rs. 2.8 ; Sowing, Rs. 11.8 ; Ploughing, Rs. 6 ; Weeding, Rs. 2.4 ; Manure 23 carts, Rs. 6 ; Watering, Rs. 1.8 ; Harvesting, Rs. 1.8 ; Seed 30 Srs., Rs. 6 ; Watering 6 times, Rs. 9 ; Watering, Rs. 5.10 ; Rent, Rs. 2.10 ; Husking, Rs. 3 ; Rent, Rs. 5.10 ; Sowing, Rs. 2.10 ; Seed 1½ Mds., Rs. 5 ; Sowing, Rs. 10 ; Weeding, Rs. 10 ; Seed 1½ Mds., Rs. 5 ; Gathering Kappa, Rs. 10 ; Weeding, Rs. 25.10 ; Gathering Kappa, Rs. 10 ; Rent, Rs. 12.8. Ploughing, Rs. 8 ; Seed 15 seers, Rs. 1.8 ; Sowing, Rs. 6 ; Mung seed, As. 8 ; Weeding 2 times, Rs. 5 ; Watchung Rs. 5 ; Harvesting, Rs. 2.8 ; Husking, Rs. 7 ; Rent, Rs. 15.10. Khurra 2 times, Rs. 6 ; Ploughing 5 times, Rs. 15 ; Seed 4½ Mds., Rs. 16.12 ; Sowing, Rs. 7.8 ; Watchung, Rs. 3 ; Harvesting, Rs. 9 ; Rent, Rs. 15. Seed, As. 6 ; Sowing, As. 4 ; Husking, As. 10 ; Rent, As. 10.	73 4 0	Makka 40 Mds., Rs. 120 ; Karbi, Rs. 8 ; Urad 2 Mds., Rs. 10. Barley 25 Mds. at Rs. 2.8 a Md., Rs. 62.8. Wheat 13½ Mds. at Rs. 5 a Md., Rs. 67.8.	138 0 0	64 12 0	
2. Barley (2½ bighas Piwat).		49 6 0		62 8 0	13 2 0	
3. Wheat (1½ bighas Piwat).		52 0 0		67 8 0	15 8 0	
4. Cotton (10 bighas Mal).		63 12 0	Kappas 10 Mds. at Rs. 9 per Md., Rs. 90.	90 0 0	26 4 0	
5. Jowar (12½ bighas Mal).		51 2 0	Jowar 18½ Mds., Rs. 56.4 ; Karbi 1.500 Sh., Rs. 7.8 ; Bhuri, Rs. 1.8 ; Mung 1½ Md., Rs. 6.	71 4 0	20 2 0	
6. Gram (10 bighas Mal).		71 4 0	Gram 27 Mds., Rs. 81 ; Kharib, Rs. 3.	84 0 0	12 12 0	
7. Linsed (½ bighas Mal).		362 10 0	Linsed 30 Srs., Rs. 4.8	4 8 0	2 10 0	
			Total	517 12 0	155 2 0	

NOTE.—The entire area under 6 and 7 is contemplated to be sown with gram with a sprinkling of linsed.

APPENDIX III-G.

Statement showing net profit to the cultivator derived from the cultivation of cotton and other crops in rotation in place of Poppy and other crops in rotation on an average holding consisting of 4 bighas Pivat (irrigated land) and 35 bighas Mat (un-irrigated land).

Name of crops with extent of their sowings.	Details of expenses.	Total Expenses.	Details of produce.	Total value in Cash.	Net profit to the Cultivator.	Rs. A. P.
1. Makka (1½ bighas Pivat).	Manure 15 carts, Rs. 7-8; Ploughing, Rs. 4-8; Harrowing, Rs. 1-8; Seed, Rs. 1-8; Sowing, Rs. 1-8; Weeding, Rs. 1-14; Watching, Rs. 1-8; Harvesting, Rs. 3-12; Husking, Rs. 1-8; Rent, Rs. 1-14.	27 0 0	Makka 15 Mds., Rs. 45; Karbi, Rs. 3; Urad 30 Srs., Rs. 3-12.	61 12 0	24 12 0	
2. Cotton (2½ bighas Pivat).	Manure 25 carts, Rs. 12-8; Ploughing, Rs. 7-8; Harrowing, Rs. 7-8; Seed, Rs. 1-4; Sowing, Rs. 2-8; Weeding 3 times, Rs. 7-8; Gathering Kappas, Rs. 12-8; Rent, Rs. 12-8.	63 12 0	Kappas 15 Mds. at Rs. 9 per Md., Rs. 135.	135 0 0	71 4 0	
3. Barley (1½ bighas Pivat).	Manure 15 carts, Rs. 7-8; Ploughing, Rs. 4-8; Seed 24 Srs., Rs. 1-8; Sowing, Rs. 1-8; Watering 4 times, Rs. 6; Harvesting, Rs. 1-8; Husking, Rs. 1-8; Rent, Rs. 5-10.	29 10 0	Barley 15 Mds. at Rs. 2-8 per Md., Rs. 37-8.	37 8 0	7 14 0	
4. Jesus (2½ bighas Mat).	Ploughing, Rs. 8; Seed, 15 Srs., Rs. 1-8; Sowing, Rs. 6; Manu Seed, As. S; Weeding 2 times, Rs. 5; Watching, Rs. 5; Harvesting, Rs. 2-8; Husking, Rs. 7; Rent, Rs. 15-10.	51 2 0	Jowar 18½ Mds., Rs. 56-4; Karbi, 1-700 Sheaves, Rs. 7-8; Bhuri, Rs. 1-8; Mung 1½ Mds., Rs. 6.	71 4 0	20 2 0	
5. Wheat (2½ bighas Mat).	Ploughing, Rs. 21-14; Seed, Rs. 20; Sowing, Rs. 6-1; Watching, Rs. 3-2; Harvesting, Rs. 1-4; Husking, Rs. 2-8; Rent, Rs. 15-10.	70 10 0	Wheat 25 Mds. at Rs. 4 per Md., Rs. 100; Bhush 32 cart, Rs. 1-4.	101 4 0	30 10 0	
6. Gram (2½ bighas Mat).	Ploughing, Rs. 5; Pounding, Rs. 12; Sowing, Rs. 6; Watching, Rs. 2-5; Harvest, Rs. 2-5; Husking, Rs. 7; Rent, Rs. 12-8.	57 0 0	Gram 22½ Mds. at Rs. 3 per Md., Rs. 67-8.	70 0 0	13 0 0	
		299 2 0	Total .	466 12 0	167 10 0	

APPENDIX III-II.

Statement showing the Export duty levied on Agricultural Produce and Cattle.

Particulars.	Duty.			Remarks
	Rs.	Rs.	Rs.	
1. Grain of all sorts	0	2	8	Per M.
2. Rice	0	4	0	Per M.
3. Oil seeds	0	6	0	Per M.
4. Raw cotton	1	5	0	Per M.
5. Ginned cotton	2	0	0	Per M.
6. Bullocks	2	0	0	Per Head.
7. Cows	7	0	0	Per Head.
8. She-Bullocks	9	5	0	Per Head.
9. Puffaloes	0	4	0	Per Head.

APPENDIX IV.

Statement showing net profit to a cultivator derived from cultivating an acre holding of 4 Bighas Pirai and 35 Bighas Mat-rate Poppy and other crops for Poppy.

Names of Crops.	Expenses.	Income.	Net profit of the cultivator.	Remarks.
	Rs. A.R. P.	Rs. A.R. P.	Rs. A.R. P.	
Poppy	425 2 0	626 4 0	200 2 0	
Sugarcane	470 10 0	671 12 0	192 2 0	
Tobacco	410 14 0	584 8 0	173 10 0	
Cotton	230 2 0	466 12 0	167 10 0	
Zira	223 6 0	561 12 0	173 6 0	
Wheat	255 6 0	529 8 0	165 2 0	
Barley	262 19 0	547 12 0	155 2 0	

APPENDIX VI. (C).

Statement showing the quantity of Poppy seed and Poppy oil exported during the last five years from 1922-27 and the income derived therefrom.

Year.	Poppy Seed.		Poppy Oil.	
	Weight (Maunds).	Duty (Rupees).	Weight (Maunds).	Duty (Rupees).
1922-23	5,309	2,035	9	3
1923-24	2,133	711	12	5
1924-25	2,792	1,016	32	12
1925-26	504	204	57	21
1926-27	3,692	1,366	112	42
Total for the last three years.	7,048	2,586	201	75
Average for the last three years.	2,349	862	67	25

APPENDIX VII.

Statement showing the total annual loss in Land Revenue to the State if Poppy cultivation were abolished.

Kinds of Lands.	Area under cultivation on the average of last three years in Bighas.	Total Land Re- venue on lands under Col. 2 at an average rate of Rs. 8-8-8½ per Bigha.	Total Land Re- venue on lands under Col. 2 at an average rate of Rs. 5-4-3½ per Bigha in case of discontinuation of Poppy cultivation.	Loss to the State in Revenue at an average rate of Rs. 3-4-3½ per Bigha.
				1
1. State lands.	5,010	42,812	26,390	16,422
2. Jagir lands	1,450	12,391	7,638	4,753
Total	6,460	55,203	34,028	21,175

APPENDIX VIII.

Statement showing Cost to the State (in the form of wastage) on Opium issued from the Warehouses during the months of October, November and December 1927.

Warehouse.	Opium given to Retail Vendors for Excise use.	Opium given to Tentsils for Excise use.	Opium given to Retail Vendors for Local consumption.	Balance at Warehouse.	Wastage.	Loss to the State from wastage.
	Md. Sr. C.	Md. Sr. C.	Md. Sr. C.	Md. Sr. C.	Rs. A. P.	Rs. A. P.
1. Chonai	4 26 2	17 8 0		4 6 4 0	2 6	21 6 0
2. Patan	1 20 0	10 8 0	1 9 6 2		0 14	0 13 6
3. Shrichattarpur	0 5 0	0 12 0	0 4 2 14		0 14	0 15 9
4. Pachpabār	1 20 0	2 14 0	1 16 10 0	0 8	4 8 0	
5. Awar	0 10 0	0 2 1	0 9 9 4	0 4	2 4 0	
6. Dag	1 0 0	1 9 2	0 37 8 3	0 14	7 14 0	
7. Gangdhar	1 0 0	2 4 0	0 37 10 0	0 2	1 2 0	
Total	10 1 2	36 9 2	9 1 3 12	4 54	38 16 3	

APPENDIX IX.

Statement showing total quantity of crude Opium produced during 1925-26 and 1926-27 and delivered to Government, as well as expenses incidental thereto.

Year.	Quantity of Opium.						INCOME.						Total for Columns 5 & 6.			
	Actually produced in the State.			Sent to Ghazipur.			Balance left over for Excise purposes.			By sale to Government.			By sale of Excise Opium.			
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.	
1925-26	304	14	1 $\frac{1}{2}$	300	29	4	3	24	13 $\frac{1}{2}$	Rs. 1,69,143	2	7	Rs. 623	1	Rs. 1,69,766	
1926-27	581	20	3	447	2	11	134	17	8	1,77,658	5	0	32,732	4	9	2,10,447

Year.	EXPENSES.						Expenses of bringing money Advances from Indore Tr.						TOTAL.			
	Amount distributed amongst cultivators.			Central India Scheme.			Weightment and Dharmada.			Contingencies.						
1.	8.	9.	10.	11.	12.	13.	14.	15.	16.	17.	18.	19.	20.	21.		
1925-26	Rs. 1,24,359	A. P. 6	R. 9	Rs. 3,505	A. P. 0	R. 0	Rs. 558	A. P. 9	R. 6	Rs. 50	A. P. 0	R. 0	Rs. 425	A. P. 14	R. 6	Rs. 1,23,898
1926-27	1,49,532	A. P. 9	R. 9	3,468	A. P. 6	R. 2	778	A. P. 15	R. 9	50	A. P. 0	R. 0	973	A. P. 12	R. 6	Rs. 1,53,803

* Includes price of 134 mds. 17 seers 8 ch. retained by the Durbar.
Price paid to cultivators for opium sent to Ghazipur was Rs. 1,21,766-3-9.

Statement showing Fines and value of Confiscated Opium from various sources for the years 1924-25 to 1926-27.

SMUGGLING.

CULTIVATION.

Year.	Penalty for oily Opium.	Illicit possession of Chik or giving the same in wages.		Abnormal shortage than the reported output.	Confiscating adulterated opium.	Total.	Cases instituted.	Weight of opium seized.	Fines realised.
		Rs. A. P.	Rs. A. P.		Rs. A. P.				
1924-25	4,907 0 0	46 10 6	20 0 0	66 10 6	66 10 6	14	2	1,780 0 0	
1925-26	...	530 14 5	32 8 0	5,470 6 5	5,470 6 5	9	1	895 13 4	
1926-27	Total	4,907 0 0	577 8 11	108 2 6	108 2 6	10	0	659 5 3	
	Average	1,635 10 8	192 8 4	17 8 0	108 2 6	33	4	3,335 2 7	
					5,645 3 5				
						1,881 11 10	11	1	1,111 11 6

SMUGGLING.

Year.	Illicit possession.	Other offences.	Price of opium confiscated.	Total.	Fines on wholesale dealers.			Miscellaneous.
					Rs. A. P.	Rs. A. P.	Rs. A. P.	
1924-25	100 0 0	190 6 0	1,031 7 6	3,001 13 6	233 13 0	...	...
1925-26	...	7 6 0	386 11 7	1,389 14 11	659 3 6	...	...
1926-27	Total	320 0 3	386 11 3	1,366 0 9	631 14 0	168	168	
	Average	100 0 0	517 12 8	1,804 14 4	5,557 13 2			1,524 14 6
		33 5 4	172 9 5	601 10 1	1,919 4 5	56	56	508 4 10

Statement showing the Cost and Selling price with Duty and License Fee of Opium for the years 1824-25 to 1827-28.

Year,	Purchase Per Year,	License Per Year,	Duty Per Beer,	License Fee from			Retail Billing Price,
				Rt.	Wholesaler desalers,	Total.	
1924-25	"	"	Rt.	Rt. A. P.	Rt. A. 2.	Rt.	Rt.
1925-26	"	"	"	3 7 252	2 9 11	5,930	25 to 28
1926-27	"	"	"	"	4 2 661	4,261	25 to 28
1927-28	"	"	"	"	5 0 0	5,000	25 to 28

Statement showing the Irrigated Area and Number of Wells for the years 1905-06, 1915-16 and 1926-27.

Tehsils.	1905-06.		1915-16.		1926-27.	
	Area.	Number of Wells.	Area.	Number of Wells.	Area.	Number of Wells.
	Bighas.		Bighas.		Bighas.	
Patan	6,370	1,860	4,665	794	4,833	899
Shrichattarpur	...	...	650	174	1,445	355
Pachphar	3,869	1,374	2,606	545	3,626	715
Awar	3,713	1,234	3,568	736	3,932	814
Dag	4,134	1,902	4,781	891	5,689	1,023
Gangdhar	4,434	1,684	3,953	913	4,693	1,028
Total	22,520 or 9,008 Acres	8,054	20,323 or 8,129 Acres	4,053	24,258 or 9,703 Acres	5,834

REPORT FOR THE JODHPUR STATE.

Mr. D. L. DRAKE-BROCKMAN, C.I.E., I.C.S., Revenue Member of the State Council, is the Committee Member representing the State.

A Note containing the information required in answer to the Terms of Reference, supplied by the Revenue Member of the State Council with his letter No. 12468, dated the 28th February 1928, is recorded by the Committee as an accompaniment to this Report.

There is no opium production in the State, and although poppy cultivation is permissible by the State Law to the extent of one biswa per cultivator, for production of poppy heads and seeds for medicinal purposes, no licenses for such cultivation are in fact being issued at present. There are no stocks of opium in the hands of merchants or private persons other than the opium issued from the State warehouses to licensed wholesale vendors for sale in the State shops. The consumption is confined to biscuit opium, which is imported by licensed wholesale vendors under permit from Kotah, Jhalawar and Tonk and is stored in the State warehouses at Jodhpur and Pali.

The Committee's discussion has been mainly concerned with the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 25,000 to 30,000 maunds and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible.

The Jodhpur Darbar is prepared to assist the scheme outlined above, should it be brought into operation, by purchasing from the central stocks the opium required for internal consumption in the State, provided—

- (1) that opium is supplied in biscuit form of substantially the same quality, consistency and morphine content as that now in use in the State;
- (2) that the opium is sold to the Darbar at a price not exceeding Rs. 16 a seer or, if it is found necessary to charge a higher price than Rs. 16 a seer, that the Darbar is satisfied that the price demanded is reasonable; and that in order to enable it to satisfy itself of the reasonableness of the price charged the Darbar shall be entitled to receive copies of the cost accounts and all detailed

relevant information; and to criticize them to such extent as may be necessary; and that it shall be at liberty to rescind its undertaking to purchase opium from the central stocks if, after such scrutiny, it considers the price demanded unreasonable.

2. The Committee then discussed the suggestion of the Government of India that the States should, after the stocks of old opium are exhausted, obtain their supplies of opium from the Ghazipur Factory.

The Jodhpur Darbar will be prepared to take opium from the Ghazipur Factory, after the old stocks of opium in Central India and Rajputana have been exhausted, provided that all the conditions specified under paragraph 1 above, other than the condition limiting the maximum price to Rs. 16 per seer, are fulfilled, and provided also that any extra price above Rs. 16 per seer which may have to be paid for Ghazipur opium does not involve permanent loss of opium revenue to the Darbar but can, within a reasonably short period after the extra cost is incurred, be covered by a corresponding increase in the duty and selling price, the Darbar being the sole judge of the feasibility and extent of such increase.

3. The third question discussed was the possibility of enhancing the selling price of opium in the State and the probable financial effect of doing so.

The consumption in the State has averaged 587 maunds in the last five years, representing in the population of 1,841,642 a consumption of 127.5 seers per 10,000. In the year 1926-27 the consumption was 622 maunds 37 seers, the revenue from duty at Rs. 10 per seer was Rs. 2,47,551 and the revenue from wholesale and retail license fees was Rs. 1,70,527 or approximately Rs. 7 per seer. The present cost price is stated to be Rs. 15 to Rs. 16 per seer, and the fixed retail selling rate is Rs. 40.

Assuming that the selling rate could be raised ultimately to Rs. 100 per seer, and that the taxation profit to the State were then Rs. 70, and assuming that this enhancement of price were to reduce consumption to an average of about 50 seers per 10,000 or 230 maunds annually, the opium revenue would then be Rs. 6,44,000 compared with the present revenue of about Rs. 4 lakhs.

The Jodhpur Darbar agrees generally with the policy of maximum revenue from minimum consumption and is prepared to raise the selling rate of opium in the State to a degree corresponding as nearly as possible with that in force in British India, provided—

(1) that the enhancement is carried out by gradual stages, the occasion and extent of which shall be, so far as Marwar territories are concerned, subject to the approval of the Darbar;

- (2) that the same price is adopted in all the neighbouring States; and
- (3) that the Darbar is satisfied that the enhancement does not cause undue hardship to legitimate consumers.

J. A. POPE, *President.*

D. L. DRAKE-BROCKMAN,

AZIZUDDIN AHMED,

G. S. HENDERSON,

Members.

Dated Jodhpur, the 16th April 1928.

Accompaniments to Jodhpur State Report.

(1) AGRICULTURE.

I. (a) to (c) Poppy cultivation is strictly prohibited in Marwar. It is only allowed under the terms of a license and for the purpose of producing poppy-heads for the medicinal use of the licensee and his family or for sale to a licensed vendor. Such cultivation is allowed in one Biswa and not more. Such licenses are very sparingly granted. Till now no such license has been granted.

(2) FINANCIAL.

(i) (a) No land revenue is derived as poppy cultivation is prohibited.

(b) The total revenue derived from the opium imported for internal consumption in shape of duty is about Rs. 2,20,000 and from license fee is about Rs. 1,80,000 a year.

(c), (d) and (e) Nothing.

(ii) The total revenue derived from opium is 3.3 per cent. of the total revenue of the State.

(iii) and (iv) Nothing.

(v) The loss of revenue due to smuggling of opium from outside the State is probably *nil* as practically no opium is smuggled from outside the State for consumption inside Marwar. There are only two States on our border, *viz.*, Mewar and Jaisalmer where the duty is less than ours and from which the smuggling can be suspected, but the opium is rather of inferior quality so it does not find a market. Other States on our border have practically the same or even higher duties.

(vi) The present cost and selling price of opium is Rs. 15 or 16 and Rs. 40 per seer respectively. A greater portion of this

margin is taken by the State in shape of duty and license fees. There is a possibility of raising its selling price provided other neighbouring States raise their prices to the same level. The raising of the selling price will no doubt reduce consumption thus leading to a fall in revenue. Only experience can tell whether this can be adequately compensated for by a rise in the selling price but it is feared that it will not as the country is not very fertile and the people are not rich and if the commodity is to be had at a very high price the people will refrain from its use though reluctantly.

(vii) The present sources of supply are chiefly Kotah, Chhabra, Jhalrapatan. Our stocks are practically insignificant being only sufficient to meet 2 or 3 months' demand. If we import opium from Ghazipur the result is likely to be a loss to us as at present we have been getting it from the above mentioned places at Rs. 15 or Rs. 16 per seer wherens the prices quoted by Ghazipur Factory are about Rs. 25-4-0 per seer. Our consumption is about 600 maunds a year. If we import this from Ghazipur we shall lose approximately Rs. 2,50,000. Moreover local taste prefers opium in 'biscuit form'. The Ghazipur factory did not inform us whether they would be prepared to produce it in this form.

(viii) We have nothing to do with this aspect.

II. Consumption.

(i) Opium in biscuit form is preferred by the people of Marwar. It is consumed mainly on ceremonial occasions such as marriages, deaths, and festival (Tinwar, i.e., Holi, Dewali, Akha-teej, etc.) when it is customarily offered by the host to his guests. This custom is known as Man-Manuhar. This custom has encouraged addiction to its use. It is either presented in small pieces in the raw state or it may be dissolved in water and placed in the palm and drunk as a decoction. It is given in some cases chiefly among illiterate people especially of the labouring classes to children, but this habit is gradually dying out as the people are learning its harmful effects. These customs account for possibly one quarter of the whole consumption. Apart from this, there is reason to believe that it is consumed in small quantities as a regular habit by many of the inhabitants, especially the Rajputs and those who closely associate with them. But there is no reason to believe that the amount administered to children is other than insignificant.

(ii) It is wholly used in biscuit form.

(iii) The chemical composition of the opium is not known but the physiological effect of its regular use upon the consumer is to make him dull, slothful and inactive. It is said that in ancient times it used to be taken by those going forth to war as a stimulant—possibly as an anodyne and this may account for its continued use to some extent among the Rajput population.

(iv) The Darbar is already convinced of the desirability of reducing the consumption, and contemplates an increase of duties

in order to effect this result. It is not quite certain how far the process can go—but the introduction of uniform duties over all the States and of the closure of any sources of smuggling from the producing States would materially assist the policy.

III. Our stocks are insignificant so as to meet only 2 or 3 months' demand, their value is about Rs. 60,000 to Rs. 80,000 and they are under State control.

IV. Opium lawfully imported into Marwar is not so far as we know smuggled out of Marwar now. Spasmodic cases of smuggling of ball opium smuggled from Mewar have been detected by the Government Police as well as our preventive staff and this can effectively be stopped only if the source of supply to smugglers is brought under control, which is Mewar. There was reason to believe that some was finding its way from the south of the State into other States such as Palanpur where the duty is higher. But steps have been taken to stop this and they appear to have been successful. There is some suspicion that small quantities may find their way to Sindh. But nothing definite has been traced and circumstances are against any such trade.

V. As already discussed in I (2) (vii) the price quoted by the Ghazipur Factory is very high and we could only buy opium from Ghazipur at a sacrifice of much revenue. We have recently obtained a sample of Ghazipur opium and in its present form it would not suit the taste of our people. Our people prefer 'biscuit' opium mixed with trash, and we cannot say whether the Ghazipur Factory can produce such opium at the same price at which we have been getting it from our present sources.

VI. We have nothing to do with cultivation. As regards the purchase of opium from the Ghazipur Factory this is practicable, (i) if the price is brought down, (ii) sources of supply from Mewar are closed—otherwise we shall be flooded with opium from there. As regards raising the selling price to a level with that in adjoining British districts this is more doubtful. In any case, it would have to be done very gradually—and the Darbar would like to reserve complete discretion as regards the occasion when each turn of the screw is to be made.

VII. Local customs which are in part responsible for the opium habit will in this State have to be given due consideration in any measures taken affecting the kind of opium provided and the selling price. The period in which consumption is to be reduced to the League's *per capita* standard of consumption cannot be estimated with any degree of accuracy if it is capable of attainment at all, the present standard of consumption being 130 seers per 10,000 of the population. But any approximate reduction to that figure is likely to take the best part of a generation, even assuming that the process is accelerated after a preliminary period. A generation is taken to be 30 years.

STATEMENT 1.

Year.	Quantity Imported.	State Duty.
		Mds. Srs. Chs.
1917-18	676 19 14	340 per maund.
1918-19	435 20 11½	Ditto.
1919-20	539 23 7½	Ditto.
1920-21	518 26 13	Ditto.
1921-22	578 24 9½	400 from 1st March 1922.
1922-23	518 6 0	Ditto.
1923-24	677 28 4½	Ditto.
1924-25	580 26 8½	Ditto.
1925-26	537 7 14½	Ditto.
1926-27	622 37 3	Ditto.

Average 568½ mds.

STATEMENT 2.

Year.	Withdrawals from warehouses.	Duty.♦	License fees.
		Mds. Srs. Chs.	Rs.
1922-23	518 6 0	2,05,681	1,31,431
1923-24	677 28 4½	2,60,456	1,41,791
1924-25	580 26 8½	2,31,058	1,60,010
1925-26	537 7 14½	2,12,520	1,73,582
1926-27	622 37 3	2,47,551	1,69,327
1927-28 . . . . .	...	..	1,80,000(bid.)

* After allowing rebate to Mallani pergana at the rate of 3 annas per rupee.

REPORT FOR THE KARAUJI STATE.

Rao Sahib Pandit SHANKER NATH, Chief Member of the Karauli State Council, is the Committee Member representing the State.

A Note containing the information required on the Terms of Reference, supplied by the Chief Member of Council on behalf of the Darbar, is recorded by the Committee as an accompaniment to this Report.

Poppy is cultivated in the State only to the extent necessary to produce the opium required for internal consumption, the average cultivation in the last five years being 108 acres and the output of crude opium 32 maunds 2 seers annually. The present consumption is about 26 maunds annually. The crude opium is taken by a contractor, who pays Rs. 8 per seer to the cultivator. It is then stored in a State warehouse and is there manufactured into hard ball or biscuit opium and after manufacture is issued as required to the retail shops. The contractor pays a duty of Rs. 40 per maund and a customs cess of Rs. 10-10-0 per maund on the crude opium; and he pays also under the present five years' contract a graduated annual license fee which rises from Rs. 7,800 in the first year of the contract period to Rs. 10,200 in the last and amounts altogether to Rs. 45,000 for the five years. The contract expires in the year 1930. The average present revenue from opium may be calculated as follows:—

	Rs.
Average annual license fee	9,000
Duty at Rs. 40 per maund	1,720
Customs fee at Rs. 10-10	457
Customs duty at 4 annas per maund on poppy heads	58
Total	11,235

On a consumption of 26 maunds this represents a revenue of approximately Rs. 11-12-0 per seer consumed. The retail sale price is 3 tolas per rupee or Rs. 26-10-8 per seer.

The Committee's discussion has been mainly concerned with the following three points of importance, in regard to which the Committee unanimously records the conclusions given below:—

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 25,000 to 30,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible.

The Karauli Darbar are prepared to assist the scheme outlined above, should it be brought into operation, by prohibiting cultivation in the State and by purchasing from the central stocks the opium required for internal consumption in the State, after all the opium now in the Darbar's possession has been consumed, provided—

- (1) that the Darbar can come to an arrangement with the contractor under which the contractor will obtain opium from the central stocks and will make to the Darbar, in the form of import duty and license fee, an annual payment not less than the Darbar's present annual revenue from opium;
- (2) that the opium is of good quality and suitable for consumption in the State; and
- (3) that the Darbar nevertheless retain the inherent right of opium production, and are at liberty to continue cultivation if the conditions (1) and (2) specified above are not fulfilled.

2. The Committeee then discussed the suggestion of the Government of India that the States should, after the stocks of old opium are exhausted, obtain their supplies of opium from the Ghazipur Factory.

The Karauli Darbar will be prepared to take opium from the Ghazipur Factory, after the old stocks of opium in Central India and Rajputana have been exhausted, provided—

- (1) that the opium is of good quality and suitable for consumption in the State;
- (2) that the extra cost of Ghazipur opium can, in the Darbar's opinion, be made up by increasing the retail price of opium in the State, so that no loss of opium revenue is involved; and
- (3) that the Darbar nevertheless retain the inherent right of opium production, and are at liberty to permit cultivation if the conditions (1) and (2) specified above are not fulfilled.

3. The third question discussed was the possibility of enhancing the taxation and retail sale price of opium in the State and the probable financial effect of this policy.

The consumption in the State is approximately 26 maunds, equivalent in the population of 133,730 to an average of 77.7 seers per 10,000. The opium revenue averages Rs. 11,235, or Rs. 11-12-0 per seer of consumption. The present retail sale price is Rs. 26-10-8 per seer.

The Karauli Darbar agree generally with the policy of maximum revenue from minimum consumption and are prepared to raise the

selling rate of opium in the State to a degree corresponding as nearly as possible with that in force in British India; provided—

- (1) that the enhancement is carried out by gradual stages;
- (2) that the same price is enforced in all the neighbouring States; and
- (3) that the Darbar are satisfied that the enhancement will not cause undue hardship to legitimate consumers or bring about the substitution of other more harmful drugs in place of opium.

It would perhaps be possible under these conditions to raise the selling price ultimately to Rs. 100 per seer. Assuming that the State's profit from taxation were then Rs. 70 per seer, and that the increased price caused a reduction in average consumption to 40 seers per 10,000, equivalent to 535 seers annually, the total opium revenue would then be Rs. 37,450 compared with the present figure of Rs. 11,235.

J. A. POPE, *President.*

AZIZUDDIN AHMED,

G. S. HENDERSON,

SHANKAR NATH,

} *Members.*

Dated the 30th April 1928.

Accompaniments to Karauli State Report.

Memo. of information on the points mentioned in the terms of reference of the Opium Committee at Simla, as far as this State is concerned.

I. The present situation specially in regard to—

(1) AGRICULTURE.

(a) The extent to which poppy is cultivated in Karauli State.

(a) Up to 200 acres.

(b) The quality and nature of the land in which it is cultivated and the amount of irrigation required and the nature of the arrangements for such irrigation.

(b) It is cultivated on all sorts of land which is level and well manured. It is watered seven to twelve times during the season, from wells by a process called Nao, that is the Charas or water-bag is let down into the well by a rope passing over a wheel and is drawn up by bullocks. This process is repeated over and over again.

(c) *The liability of the yield of the crop to fluctuate owing to seasonal conditions.*

(c) It thrives well in years of sufficient moisture. Severe cold and high wind at the time of taking out the juice diminish the yield.

(d) *The advantages or disadvantages of cultivating poppy as compared with other crops from the point of view of the cultivator.*

(d) On account of its high price its cultivation is more advantageous to the cultivator than that of the other crops.

(e) *The possibility of substituting other crops for poppy and the effect on the cultivator of such substitution.*

(e) Having regard to the quality of soil of this State there seem no other crops that can be substituted with an equally good effect on the cultivator.

(2) FINANCIAL.

(i) *The average revenue derived by the State from opium under the following heads:—*

(a) *Land revenue, distinguishing revenue from land cultivated with poppy for supply to the Government of India, that from land cultivated with poppy for supply to other States and that from land cultivated with opium for internal consumption.*

(a) The cultivation here is carried on for internal consumption only and not for supply to the Government of India or to any other State.

(b) *Revenue other than land revenue derived from internal consumption.*

(b) At present a State fee of Rs. 40 per maund of opium milk supplied to the contractor is realised from him in addition to the Customs-duty of Rs. 10-10-0 per maund. Therefore the total income per maund of milk or juice opium is Rs. 50-10-0.

(c) *Revenue other than land revenue derived from export to other States.*

(c) The export duty is Rs. 30 per maund on any surplus quantity if sent out of this State.

(d) *Revenue other than land revenue derived from sale to the Government of India.*

(d) The State has never sold opium to the Government of India.

(c) Any other form of revenue.

(e) The other form of revenue is from leasing the contract for the sale of opium, and an annual sum of Rs. 10,200 is realised from the present contractor holding the lease.

(ii) The proportion that the total revenue of all kinds from opium bears to the total revenue of the State.

(ii) The total revenue of all kinds from opium is at present estimated at Rs. 12,435 a year as detailed below:—

	Rs.
1. Royalty	10,200
2. Fee at Rs. 40 a maund on 43 maunds local weight of milk	1,720
3. Customs duty @ Rs. 10-10-0 per maund on 43 maunds	457
4. Customs duty @ 0-4-0 per maund on poppy heads	58
	<u>TOTAL</u>
	<u>12,435</u>

The total revenue of all kinds from opium is the $\frac{1}{65}$ th part or .017 of the total revenue of the State.

(iii) Expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of the arrangements for such control.

(iii) One Inspector with two chaprasis looks after the manufacture and distribution of opium and checks accounts and entries according to the terms of the contract and the Excise Law, at the initial cost of Rs. 500 a year. Revenue officials supervise the cultivation and the yield.

Licenses are issued by the State to the cultivators for cultivating opium.

(iv) Loss of revenue to the State due to illicit practices in areas where opium is cultivated.

(iv) In the areas where opium is cultivated in this State there are no illicit practices in vogue which may cause any loss of revenue to the State.

(v) Loss of revenue due to smuggling of opium from outside the State.

(v) Smuggling of opium from outside the State, if carried on, causes loss of import duty fixed at the rate of Rs. 10-10-0 per maund.

(vi) The present cost and selling price of opium the possibility of gradually raising the latter and the effect upon the State's finances of such a policy.

(vi) The present cost price of opium to the contractor is nearly one rupee for every 4 tolas; while the selling price is one rupee

for every three tolas, which can gradually be raised to rupee one for every two tolas. But such a policy is not expected to produce good effect on the finances, as the increase of price will lower the demand, and the quantity sold will be much diminished.

(vii) *The present sources of supply and the possibility of meeting the demand in the first instance from stocks held in the States under consideration taken as a whole and ultimately from Ghazipur, with special reference to the financial results of such a policy so far as these do not fall under any of the heads mentioned above.*

(vii) There is no old stock of opium in this State.

The whole produce for the year is purchased by the contractors in the supervision of the State authorities concerned for retail sale in the State. If more quantity of opium is needed for internal consumption, it is obtained by the contractors from Kotah or Chittorgarh where it can be had at cheaper rates. As no opium has ever been purchased from Ghazipur in this State no data as to the results of such a policy can be furnished.

(viii) *Effect of discontinuance of cultivation of poppy on States that cultivate only for the Government of India and what steps, if any, can be taken to meet the same.*

(viii) This State does not cultivate opium for the Government of India and can therefore furnish no data.

II. Consumption in the State.

(i) *The manner in which opium is used, the purposes for and occasions on which it is used and the extent to which it is used and, in particular, to which it is administered to children.*

(i) It is generally consumed in two manners:—

(1) It is eaten dry,

(2) On ceremonial occasions a mixture in water is prepared and drunk. The weak and the sick persons use it most and specially in the cold season. It is sometimes used to the extent of one tola a day by single individuals but such cases are rare. To children it is administered in very small quantities.

(ii) *The forms (ball, biscuit, etc.) in which opium is used in the State.*

(ii) The opium is used in this State in both the forms of ball and biscuits:

(iii) *The chemical composition of opium when prepared for consumption in the manner prevalent in the State and its physiological effects upon the consumer's when so consumed.*

No other ingredients are mixed with opium when prepared for consumption. Hence the preparation has no special chemical composition nor its special physiological effects on those who use it.

(iv) The possibility and desirability of effecting a substantial reduction in the amount of opium consumed in the State, the means (increase of selling price, or otherwise) by which this could be effected and the financial or other obstacles to such reduction in so far as these have not been dealt with under any of the heads above.

(iv) The increase of selling price can effect a substantial reduction in the amount of opium consumed in the State but it will cause some temporary hardship and suffering to the consumers with limited means.

III. Stocks of opium in the State, their quantity by whom they held, their value, the extent to which they are already under State control and how best they could be disposed of.

III. At present 23 maunds manufactured opium equivalent to 37 maunds juice opium plus about 11 maunds milk opium is in the stock of this State. The price for which it is to be sold to the contractors is Rs. 18,086. The whole amount is stocked in the State warehouse which is under the State control. The contractors obtain dry opium from this stock according to their requirements in the presence of the Excise Inspector of the State and distribute it to the retail sellers for retail sale in the State.

IV. Smuggling out of the State.

Its causes and prevalence, the preventive agencies in existence, their present effectiveness and the possibilities of their improvement.

IV. The cases of smuggling opium outside the State are rare. The preventive agencies are as follows:—

No export of opium is allowed without a license. The Excise Inspector as well as the customs officials posted at various customs outposts or chowkis in the district and on the border maintain an effective control and check against such smuggling. Only two cases have recently been reported and are under investigation. They will be dealt with according to law.

V. Purchase from Ghazipur.

The advisability and practicability of the purchase of opium by the States from Ghazipur at cost price. How far the inhabitants of the States would be prepared to consume Ghazipur opium and whether Ghazipur could produce opium suited to their tastes and needs.

V. The Ghazipur opium has not yet been imported and consumed in this State, therefore people are not acquainted with its taste and quality, it is therefore not possible to furnish definite information as to the advisability and practicability of its purchase by this State from Ghazipur nor can it be said how far the people of

this State would be prepared to consume it and whether or not it would suit their tastes and temperaments.

VI. The policy suggested by the Government of India:

The advisability and practicability of adopting the policy suggested by the Government of India, namely, the discontinuance of cultivation in the States, the purchase of opium by the States from Ghazipur at cost price and the adoption by the States of the policy of maximum revenue from minimum consumption, so as, ultimately, to raise the selling price to a level with that in the adjoining British Districts thereby removing the incentive to smuggling and reducing consumption.

VI. As will be seen from the above replies, the discontinuance of cultivation will cause a net loss of revenue of Rs. 12,435 to the State, besides the loss to the cultivator who cannot make up for it by substitution of other crops which do not bring such a high price as opium does. It is not known as also how far the Ghazipur opium will suit the requirement of the consumers here who have been accustomed to use the opium locally made.

VII. General.

Any other subjects relevant to the matters mentioned above.

None.

Statement showing the area brought under poppy cultivation and the quantity of the opium milk produced in the Karauli State in each of the last ten years.

Serial No.	Year.	Area.	Production of opium- milk in standard weight.		
			Acres.	Biswas.	Mds. Srs. Ch.
1	1918	52 0	10	26	10
2	1919	65 11	6	2	10
3	1920	102 18	20	0	0
4	1921	108 19	27	10	3
5	1922	100 23	10	31	4
6	1923	39 24	7	1	1
7	1924	94 21	24	21	4
8	1925	200 7	73	22	8
9	1926	73 0	21	2	5
10	1927	132 0	34	3	7

Statement showing the quantity of opium issued to the State shops and the State revenue from (1) duty or royalty and (2) license fee realized on the sales of opium in the State shops in each of the last five years.

Serial No.	Year.	Quantity of opium issued to State shops in standard weight.	State Revenue from		
			Duty or Royalty.	License fee realized on the sales of opium in State shops.	Total.
		Mds. Srs. Ch.	Rs. A. P.	Rs. A. P.	Rs. A. P.
1	1923	13 9 7	92 2 0	3,600 0 0	3,692 2 0
2	1924	16 24 6	207 12 0	3,690 0 0	3,807 12 0
3	1925	23 38 3	72 8 3	3,881 4 0	3,953 12 3
4	1926	28 19 5	1,123 10 3	7,297 13 9	8,421 8 0
5	1927	26 6 4	355 4 3	8,930 12 0	9,286 0 3

REPORT FOR THE KISHANGARH STATE.

Rao Bahadur ROOP SINGH POWAR, Judicial Member of the State Council, is the Committee Member representing the State.

A Statement containing the information required on the Terms of Reference was placed before the Committee by Rao Bahadur Roop Singh. As no opium is produced in the State, and there are no stocks of old opium, the Committee's discussion has been confined to the following three points of importance, in regard to which the Committee unanimously records the conclusions given below.

1. The President explained that a scheme is under discussion having for its object the purchase and storage in godowns in a central position of all stocks of old opium at present in the possession of merchants and private persons in Central India and Rajputana. These stocks are roughly estimated at 20,000 to 25,000 maunds, and the object of the scheme is to enable them to be placed immediately under control and to be passed into consumption as quickly as possible. The assistance required in this connection from States which consume but do not produce opium would be limited to an agreement to purchase from the stocks so collected the opium that may be required from time to time for their internal consumption.

The Committee understands that the Darbar is ready to co-operate with this scheme, should it be brought into operation, by purchasing from the central godown the opium required for internal consumption in the State, subject to the following three conditions being fulfilled :—

- (1) the authority responsible for purchasing and re-selling the opium shall make no profit on the transaction;
- (2) the price at which the opium is sold to the States shall not exceed the cost of local production, including all expenses of manufacture, and if it exceeds the cost of local production the State will be at liberty to resume cultivation and production of opium for its internal consumption;
- (3) the opium shall be suitable to the taste of consumers in the State. In this connection the Darbar will consider the advisability of manufacturing its opium into uniform stamped cakes for supply to retail shops. Should this be found practicable, it will be possible to manufacture the cakes from a blend of biscuit and ball opium. Recognizing the smaller cost of ball opium, and the importance of assisting the consumption of the old stocks of ball opium, the Darbar would further be prepared to consider the possibility of using an increasingly large proportion of ball opium in the manufacture of the cakes.

2. It is estimated that a period of something like 10 years must elapse before the stocks of old opium will have passed into con-

sumption. After that period the question will arise as to the means by which the States which consume but do not produce opium shall obtain the opium required for their internal consumption. In this connection the Government of India have suggested that States should receive their supply of opium at cost price from the Ghazipur Factory. The President stated that the present cost of opium from the Factory is Rs. 26 per seer. This is considerably greater than the present cost of opium obtained in Central India and Rajputana. It is hoped, however, that the cost of Ghazipur opium will be reduced, when the present large accumulations of stocks at the Factory have been diminished. Moreover the present price of opium in Central India and Rajputana is artificially low, being governed by the fact that there are very large stocks of opium and only a small market available for those stocks. Consequently there must in any case be an increase in the cost price of opium in Central India and Rajputana after the present stocks of old opium have ceased to exist. It is anticipated, therefore, that the disparity in price between the cost of Ghazipur opium and the cost of opium in Central India and Rajputana will be much less at the end of about 10 years than it is at present.

The Committee understands that the Darbar agrees, after the old stocks of opium in Central India and Rajputana have been exhausted, to obtain the opium required for internal consumption in the State from the Ghazipur Factory, provided that the cost of Ghazipur opium does not greatly exceed the cost of opium obtainable from any other source, and that it is not unsuitable to the taste of consumers in the State.

3. The third question discussed was the possibility of enhancing taxation upon opium in the State. The average consumption in the ten years 1918-1927 was 52 maunds 32 seers, representing in the population of 77,734 an average of 271.7 seers per 10,000. The opium arrangements in the State have, however, recently been reorganised, wholesale dealers being abolished and a system of purchase of opium and supply to retail shops by State agency introduced with effect from 16th November 1927, while the selling price has also been raised in November 1926 from Rs. 23 to Rs. 32 per seer. It is therefore impossible as yet to estimate the actual consumption under the reorganized system of supply and the enhanced selling price.

The opium revenue under the old system was approximately Rs. 25,000 to Rs. 30,000 per annum. Under the new system the Darbar obtains a revenue from duty amounting at present to about Rs. 15 per seer; the cost price is about Rs. 15; the retail vendor's profit is Rs. 2 per seer; and the selling price is Rs. 32. A license fee of Rs. 25 is also levied from retail sellers, the number of shops being 20 to 25. If the selling price were raised to Rs. 100 it is reasonable to suppose that the Darbar's revenue would be increased from about Rs. 15 to about Rs. 70 per seer.

The Committee understands that the Darbar is prepared to enhance the selling price of opium in the State to a degree corres-

ponding as nearly as possible with the selling price in British India, provided that the enhancement is carried out by gradual stages and that it is carried out to the same extent by the States whose territories border on that of Kishangarh.

J. A. POPE, *President.*

G. S. HENDERSON,

AZIZUDDIN AHMED,

ROOP SINGH POWAR,

Members.

Dated Kishangarh, the 23rd January 1928.

Accompaniments to Kishangarh State Report.

Advance Copy of information on points mentioned in the Terms of Reference.

I. The present situation specially in regard to

(1) AGRICULTURE.

(a) to (c) As poppy cultivation in Kishangarh was stopped by orders of the Darbar in 1923, tentatively for 5 years, no information is available at present.

(2) FINANCIAL.

(a) and (d) For the same reason require no information.

(i) (b) Revenue, other than land revenue, derived from internal consumption is approximately Rs. 25,000 to Rs. 30,000 per annum.

(c) There is no revenue derived from export to other States.

(e) None.

(ii) The total revenue of all kinds from opium is at present about 1/32 of the total revenue of the State.

(iii) There being no cultivation and manufacture of opium in the State, there is no staff for this purpose. A small staff for the control and distribution of opium consists of the Abkari Superintendent, one Inspector and four Girdawars. The revenue authorities also exercise general control and supervision of the work.

(iv) and (v) No cases of smuggling of opium from outside the State have been reported.

(vi) The present cost price of opium is about Rs. 15 per seer, and the selling price, at which it is given to retail sellers, is Rs. 30 per seer, and the retail vendors sell it to the public at the rate of Rs. 32 per seer.

(vii) Opium for consumption is imported from the Kotah State, there being no old stocks in the State.

II. Consumption in the State.

(i) Opium is used by habitual opium-eaters, and also served on marriage occasions and on festivals to guests. Small children, generally among labouring classes, are also administered opium in small doses. It is also very much used in rural areas, as medicine for several ailments.

(ii) Both biscuit and Ball opium is used.

(iii) No chemical composition is employed in the State, and opium is consumed in the form it is imported.

III. There are no stocks of opium in the State.

IV. Excepting one in 1925, no cases of smuggling of opium out of the State have so far come to the notice of the Darbar. Differences in prices and in the quality of stuff are the main causes of smuggling. Import duty from Rs. 200 to Rs. 520 per maund has lately been raised with this end in view. Up to this time, the arrangements for the control and distribution of opium have worked satisfactorily.

V. The practicability of purchase of opium from Ghazipur seems more to depend upon the price at which it can be had, and also upon its quality being suitable to the taste and needs of the people. An experiment is however well worth making.

VI. The Darbar are quite willing to co-operate with the Government of India, and it is a matter for discussion before the Committee.

1. The quantity of opium imported in the Kishangarh State in the last five years is as follows:—

		Mds.	Srs.	Ch.
1922	.	50	20	2½
1923	.	64	18	11½
1924	.	127	18	13½
1925	.	28	1	½
1926	.	47	5	0
	TOTAL	317	23	72
Average		63	20	12

2. The quantity of opium consumed in the State during the last five years was:—

		Mds.	Srs.	Ch.
1922	.	43	19	11
1923	.	69	32	14
1924	.	10½	27	8
1925	.	47	33	6
1926	.	47	4	12
	TOTAL	312	35	8
Average		62	23	½

Statement showing the quantity of opium imported into the Kishangarh State during the last ten years.

Serial No.	Year.	Quantity imported.									
		Opium.			Poppy juice.			Total.			
		Mds.	Srs.	Ch.		Mds.	Srs.	Ch.	Mds	Srs.	Ch.
1	1918 . . .	48	37	3		1	7	14½	50	5	14
2	1919 . . .	37	29	14½		0	14	1	38	3	15½
3	1920 . . .	34	35	0		3	30	4½	38	25	4½
4	1921 . . .	43	14	11½		4	12	10½	47	27	5½
5	1922 . . .	50	20	2½		0	0	0	50	20	2½
6	1923 . . .	62	17	4½		2	1	7	64	18	11½
7	1924 . . .	125	23	13½		1	30	0	127	18	13½
8	1925 . . .	28	1	½		0	0	0	28	1	½
9	1926 . . .	47	5	0		0	0	0	47	5	0
10	1927 . . .	36	2	15½		0	0	0	36	2	15½
	Total . . .	514	32	1		13	16	5½	528	8	61

Ms. S. 1. 1. Ch.

Opium return of the Kishangarh State from the year 1918-19 to 1922-23.

Year.	Area brought under cultivation, in acres.	Outturn of opium in maunds.		
		Mds.	Srs.	Ch.
1918-19	1	0	20	0
1919-20	21	3	30	0
1920-21	25	4	12	0
1921-22	6	1	30	0
1922-23	1	0	9	7

REPORT FOR THE KOTAH STATE.

Major General AP. ONKAR SINGH, C.I.E., Member, Mahakshas, is the Committee Member representing the State.

A Note on Opium in the Kotah State, containing a statement of the Darbar's position and information required in reply to the Terms of Reference, is placed before the Committee and recorded.

The Committee unanimously records the following conclusions:—

I.—OLD STOCKS OF OPIUM.

There are forty wholesale dealers holding stocks of crude opium and hard opium manufactured into biscuits and balls. Assuming a maund of crude opium to represent 28 seers of hard opium the total stocks in terms of hard opium were as follows on 30th September 1927:—

—	Mds.	Seers.	—	Mds.	Seers.
Crude opium	2,954	31	=hard opium	2,068	14
Biscuit opium . . . . .	...	...	...	3,282	17
Ball opium . . . . .	...	...	...	872	16
Total . . . . .	...	...	...	6,223	7

The stocks are possessed for the purpose of the export trade which goes mainly to Jodhpur, Bikaner, Jaisalmer and Jaipur and also occasionally to a large number of other States in Central India and Rajputana. The exports in the last five years have averaged 1,748 maunds annually.

The Darbar desire to retain their export trade and the poppy cultivation in the State which (apart from occasional and insignificant imports) supplies all the opium required for the trade. The Darbar recognise however that the wholesale dealer system is somewhat unsatisfactory and probably fails to secure the control required under modern conditions. They are therefore prepared to collect all the stocks in the possession of merchants and to place them in a central godown under the direct supervision of State officials. They are also prepared to take such steps as may be practicable to secure—

- (1) that crude opium is kept under the strictest possible supervision between the time of its collection by the cultivator and the time of its deposit by the wholesale dealer in the central godown;

(2) that cultivation shall in future be limited to the requirements of the export trade and local consumption.

The President explained that "a scheme is under consideration having for its object the purchase by a central authority of all old stocks of opium in Central India and Rajputana (estimated provisionally at 25,000 maunds), their storage in one or more central godowns, and their resale to consuming States. The scheme would benefit the States by enabling merchants to sell off their stocks at once, by placing those stocks under control, by preventing smuggling, by preventing the international criticism likely to be occasioned by the presence in the States of enormous uncontrolled stocks of opium and finally by facilitating the proper organisation of opium arrangements in States which at present do not control or tax opium, thus securing the possibility of a general advance in the opium excise revenues of the States."

The Darbar recognise the possible general advantage to be derived from the scheme and also the advantage to their own traders if stocks in hand are purchased at once by the central authority. When the scheme has been placed on a definite basis they will be prepared to consider the question of facilitating the sale of as much of their stocks as may be necessary to the central authority. But they are in no way prepared to concede to the central stocks a prior right to the market for biscuit opium.

II.—PRODUCTION OF OPIUM IN THE STATE.

Statistics under this head are given in the printed note which forms an accompaniment to this report. The note contains also an estimate of the losses that would be incurred if poppy cultivation were discontinued in the State. The Committee has discussed this estimate but has been unable to arrive at any agreed conclusion on the subject. The Committee places on record as accompaniments to this report the following papers bearing upon its discussions:—

- (i) Note by the President regarding the estimated loss that would be incurred if opium production were abandoned in the Kotah State.
- (ii) Note by Mr. Henderson on the agricultural figures supplied by the Kotah Darbar.
- (iii) Demi-official letter No. 43, dated the 15th March 1928, from the Committee Member representing the State, with two notes containing rejoinders to Nos. 1 and 2 above.
- (iv) Paragraphs 1 to 5 of demi-official letter No. 498-O/Com., dated the 24th March 1928, from the President to the Committee Member representing the State.
- (v) Demi-official letter No. 47, dated the 10th April 1928, from the Committee Member representing the State to the President.

III.—FINAL ARRANGEMENTS FOR SUPPLY OF OPIUM FOR INTERNAL CONSUMPTION IN THE STATES OF CENTRAL INDIA AND RAJPUTANA.

The Kotah Darbar do not see their way to agree to obtain opium from Ghazipur Factory because in their opinion better and cheaper opium is locally produced.

IV.—THE POSSIBILITY OF ENHANCING TAXATION UPON OPIUM AND THE PROBABLE FINANCIAL EFFECT OF THIS POLICY.

The Kotah Darbar agree generally with the policy of maximum revenue from minimum consumption. That policy must however in the view of the Darbar be limited by two considerations. The first limitation is that taxation upon opium must not be increased to such an extent that the price places it beyond the means of ordinary consumers requiring opium for legitimate purposes, e.g., as a remedy against fever, colic, etc., or a means (often the only one within reach) of allaying pain. The second limitation is that the use of opium must not be discouraged by high prices with the result that consumers take to other more injurious drugs instead.

The Darbar are prepared to raise the retail sale price of opium (which at present is Rs. 30 per seer) so far as may be practicable within the limits stated above, provided that the increased rates are adopted simultaneously by all neighbouring States and that the increase is carried out by gradual degrees.

The ultimate effect of this policy upon the opium revenues of the State may be roughly calculated as follows. The present total consumption in the State is estimated at about 110 maunds annually [column 3 of appendix IV (a)], representing in the population of 630,060 a consumption of 69.8 seers per 10,000 of population. The consumption actually taxed in 1926-27 was however 66 maunds 5 seers (column 3 of appendix IV), and the taxation profit was Rs. 37,914 giving an average profit of nearly Rs. 14.6 per seer. Assuming that the selling price might be ultimately raised to Rs. 40 per seer (which in the Darbar's opinion is the probable limit) and that the Darbar's profit would then be Rs. 25 per seer and assuming that this would reduce consumption to an average of 50 seers per 10,000 or 3,150 seers altogether, the taxation revenue of the State would be Rs. 78,750 compared with the present figure of Rs. 38,000. The full increase could however be effected only if the present special facilities to certain classes for obtaining untaxed opium were withdrawn.

J. A. POPE, President.

AZIZUDDIN AHMED,

G. S. HENDERSON,

ONKAR SINGH,

Members.

Accompaniments to Kotah State Report.

Note on Opium.

So much has been written and said on this question of opium that there now seems hardly any necessity to add any new arguments to it. So it will perhaps be enough to invite the attention of the Committee to facts and figures given in the appendices here-with annexed.

It would simplify matters a great deal if it is mentioned at the outset that the Kotah State has never been in favour of monopolising the opium trade and its profits which they have preferred to leave in the hands of their Sahukars whose battles the Kotah Darbar have been fighting since this question has been raised. From time immemorial, there has been brought into being a body of businessmen in this State who have made the manufacture and trade of opium their special occupation, in which they have invested large amounts of capital, and who, therefore, rightly look upon the extinction of opium business as nothing short of a dire financial calamity.

The second important consideration to be borne in mind when dealing with this matter from the agriculturist's point of view is that poppy is one of the most, if not the most, important crop in the State. Unlike British India it has been cultivated here like other staples without any countenance and encouragement from the Darbar. The people have heartily taken to it of their own will, primarily because it suits the soil and the climate so well, and secondly because they have for generations past found it so valuable an article of commerce, yielding as it does, the maximum return for their labour. Several nizamats in the State especially the Malwa portion of it have a reputation for producing very good opium. The position opium holds here is a very peculiar one. It is a direct money making and credit-farming crop. It has this great and singular advantage that it is sown and harvested in the slack season after sowing of the Rabi crops is over and that it makes the soil particularly congenial for Makka, which if grown on soil not previously sown with poppy would not yield even half the outturn it would otherwise do. In valuating the crops grown on poppy soil the value of opium juice alone would come to 34 per cent. of the total outturn, while that of Makka, Dana (poppy seed) and other vegetables raised from the same field would amount to 66 per cent. It is thus that poppy proves itself a very valuable crop economically. The cultivator first grows Makka and after reaping it, he puts in poppy and side by side grows Garlic, Zira, Dhania and other vegetables in the same field. No other crop affords such facilities and when it is remembered that it is the Pivat (irrigated) land which goes to pay the shortcomings of the unirrigated area in poor years, we can easily understand what a strong insurance opium is against bad years. In the words of Mr. Butler now Sir Montague Butler, our former Settlement Officer,

" It would not be much exaggeration to claim that all the Pivat land produced opium. It might also be said that our wells would probably be unable to bear their present high rates without opium."

The diminution of area under poppy to 10,000 acres in the whole State and its further restriction to only 8 nizamats has already resulted in a considerable decline of the irrigated area in other nizamats and the rates for Chahi (irrigated) land have had actually to be lowered in the nizamats barred or restricted from opium cultivation during the recent revision of the Settlement as a direct result of the policy forced on the Darbar with respect to opium cultivation. It may also be made clear that in a year of prosperity, the poppy alone though not covering more than 4 per cent. of the total cropped area, pays 73 per cent. of the land revenue in the 8 nizamats wherein poppy cultivation is permitted. So that apart from the heavy loss in revenue to the State, the agriculturists who comprise nearly 80 per cent. of our population and who not unreasonably regard poppy as the secret of their material prosperity are faced with the gloomy prospect of heavy losses. The opium cultivation is the backbone of the agriculturists and also the local trader whose credit will be destroyed and to the majority of whom therefore, the prospect of the abolition of the poppy cultivation and the suppression of opium trade spells ruin; on the other hand the position of British India is different. There, opium is not such an important crop as in the Kotah State. In the United Provinces where most of the opium is grown, the cultivators are encouraged to grow poppy by a regular officialised system of Tarcavi loans without interest, which are advanced to them by the Government Opium Department. If these loans are discontinued, poppy growers would probably be glad to go in for other crops like Sugarcane and Potato, etc., for which the Kotah soil is unsuitable by nature. To the Kotah Darbar, proper solution of the difficulties would seem to be that the Indian Government abandoned poppy cultivation altogether and bought all the opium they want for consumption in British India from Rajputana and Malwa States. This would not only be an act of generosity and broad-minded policy on the part of the Government but would greatly enhance their reputation for equity and fair play in the world of Princely India.

A glance at the figures in the appendices will show that while the Kotah State would be directly deprived of Rs. 2.97,851 out of its annual revenue if poppy cultivation goes out, the indirect losses which will be sustained by our cultivators, labourers and traders would come to the huge figure of Rs. 15,04,286. No State can possibly look upon such tremendous losses with equanimity. Kotah State can certainly not. This annual loss means much more to a State like Kotah with its slender and limited resources than does the loss of a crore or two to Government of India with its large revenues and vast possibilities.

Though nothing is further from the Darbar's mind than to wish to appear as an antagonist of the League's policy, or indifferent in co-operating with the Government of India in giving effect to

it to the best of their powers and resources, the Government would readily understand that there is a limit to which even philanthropy can go, and that with their limited resources and the unavoidable increasing cost of administration, they are reluctant to forego altogether in the vital and legitimate interests of their people, the cultivation of poppy and manufacture of opium, from which a substantial percentage of their revenue is derived.

In view of the existing conditions in Rajputana States in general, and in Kotah State in particular, widely differing as they are from those in British India, the Darbar imagine that a policy of further prohibition is likely to create unnecessary hardship and discontent.

The same remarks apply more or less to the proposal of raising the selling price of opium. Any measure which has the effect of raising the retail price of opium is likely to have indirectly a disastrous effect on the consumers, the majority of whom are persons with scanty incomes and who in search of some other cheaper stimulant would, in all probability, take to liquor or other deleterious drugs which are decidedly more injurious. In other words, there is a fear lest the policy of maximum revenue and minimum consumption if pushed beyond a certain limit may lead to undesirable results, and bring about the people's moral and physical deterioration in a manner least expected.

It will be apparent from the foregoing remarks that in the Kotah Darbar's view apart from the financial aspect of the Scheme outlined by the Government of India proving detrimental to their interests, there are insuperable objections to its adoption on the score of the people's interests particularly in the Malwa portion of the State with its small agricultural holdings whose financial stability rests on, and is indissolubly bound up with opium cultivation, the abandonment of which they regard with unfeigned dismay. It is quite clear to them that the abolition or even further restriction of poppy cultivation and obtaining their supplies from Ghazipur even at cost price cannot fail to tell heavily on their and their people's purse, and may produce prejudicial effects indirectly, which, in a matter like this it is always difficult to predict. The fact that our fears are real and not imaginary is further strengthened by a reference to the appendix No. VII appended to the final report of Sir Montague Butler, on the 2nd Settlement of the Kotah State, showing the then well assessments, and the extent to which reductions in them might be needed, if poppy cultivation goes out.

and indirect (only some of which have been indicated above) and would in their humble opinion constitute an infringement of their revenue rights.

(2) The Darbar believe that the opium monopoly by the Kotah State is not conducive to the best interests of the State and their people and would in all probability lead to the latter's economic and financial down-fall.

(3) They further consider that the restriction on poppy cultivation can only be justified either on (1) grounds of philanthropy or (2) on pecuniary considerations. If the prohibition of poppy cultivation is desired on humanitarian grounds, Kotah State is prepared to follow the Government of India in the various stages of their crusade against opium, as far as their resources permit. If on the other hand, prohibition is desired on fiscal considerations, the Kotah Darbar would appeal to the Government of India not to violate the internal autonomy of the Kotah State in order to protect their own revenues which to them are safeguarded by their system of monopoly. This can readily be understood by reference to "Statistical Abstract for British India", page 164, which shows that the opium trade with foreign countries increased from 2,640 chests in the year 1915-16 to 4,693 chests in the year 1924-25, being sold by the Government direct to Colonial Governments, etc., as also by reference to "Review of the Trade of India" in 1926-27, page 103, which shows that the value of the exports of Indian produce on Government account increased from Rs. 1,21 lakhs to Rs. 1,31 $\frac{1}{3}$ lakhs, owing to larger exports of opium which were valued at Rs. 1,19 $\frac{1}{2}$ lakhs as compared with Rs. 1,03 lakhs in 1925-26. If, however, in the common interests of both the parties i.e., the British Indian Government and the Kotah State and on economic grounds it is found necessary to diminish the area under poppy cultivation in order to adjust the production of opium to a decreased demand for the drug, the Darbar would be willing to co-operate in restricting by gradual stages the area under poppy provided the restriction is made on an equitable basis, namely, on the suitability of soil and a consideration of past averages before the imposition of restrictions, and further that a proportionate area under poppy in British India is also reduced.

It is understood that the Indian Government have declared their intention to reduce their export of opium for purposes that are not strictly medicinal by progressive stages and after ten years to discontinue them altogether. The Kotah Darbar are aware that while the Government have stopped all export of opium grown in Indian States including Kotah to places outside India, a substantial quantity of opium grown in British India or bought from Central India States is still exported to:—

(1) Straits Settlements.

(2) Siam and Cochin China, and

(3) to European countries for medicinal purposes. The Kotah State ought to receive an equitable share in this foreign trade without subjecting to pass fee until such time that

the Government's foreign trade ceases altogether. This arrangement by providing a legitimate outlet for our old stocks would remove the incentive to smuggle opium out of Kotah into British India and greatly reduce the chances of smuggling it abroad.

The Kotah grown opium has for a very long time past had its market in certain States of Rajputana, Central India and Southern States like Hyderabad. This sphere of influence should not be closed to it by restrictions being placed on importing States in the matter of obtaining their supplies of opium or compelling them to obtain their requirements from British Indian ware-houses.

STATEMENTS IN CONNECTION WITH THE NOTE.

Statement showing the approximate cost of sowing Makka first and Opium after per bigha.

Serial No.	Various processes.	Amount of cost.	Remarks.
1	2	3	4
		Rs. A.	
1	Manure 15 Cartloads	7 8	Cost of cart and bullocks, Rs. 5-8. Wages of 8 labourers, Rs. 2.
2	Ploughing twice	2 0	Wages of 2 labourers, annas 8. Cost of Plough oxen, Rs. 1-8.
3	Makka seed 3 seers	0 4	
4	First weeding of Makka	2 4	12 labourers at the rate of 3 annas.
5	Second weeding of Makka	1 8	8 labourers at the rate of 3 annas.
6	Harrowing by rake	1 0	Wages for plough oxen, annas 12. One labourer, annas 4.
7	Poppy seed 2 seers	0 8	
8	Nine times Tilling the soil	9 0	Wages for plough oxen, Rs. 6-12. 9 labourers, Rs. 2-4.
9	Levelling nine times	2 4	Wages for plough oxen, Rs. 1-12. 3 labourers, annas 12.
10	Seven waterings	15 12	Charas and oxen, Rs. 10-8. 21 labourers, Rs. 5-4.
11	Weding three times, Raking two times	5 0	20 labourers, Rs. 5.
12	Incising and scraping four times	6 9	35 labourers at the rate of 3 annas.
13	Rent	4 0	
	Total	57 9	119 labourers.

Statement showing the approximate outturn of Opium and Makka per bigha in respective order, i.e., Makka first and Opium after.

Serial No.	Name of stuff.	Weight.	Cost.
1	2	3	4
		Mds. mrs.	Rs. A.
1	Makka	9 0	30 0
2	Opium	0 5	30 0
3	Poppy seed	2½ 0	22 8
4	Zira, Dhania and other vegetables . . . . .	...	5 0
5	Makka Stalks . . . . .	...	2 0
6	Poppy heads and leaves . . . . .	...	3 0
	Total . . . . .	...	92 8

Statement showing the approximate cost of sowing Makka first and Wheat after per bigha.

Serial No.	Name of work.	Cost.	Remarks.
1	2	3	4
		Rs. A.	
1	Makka (3 seers) and Wheatseed (24 teers).	3 4	Cost of wheat, Rs. 3. Makka annas 4.
2	Manure 10 Cartloads	5 0	Cost of manure, and wages of Cart bullocks, Rs. 3-12. 5 labourers, Rs. 1-4.
3	Ploughing twice for sowing Makka	2 0	Wages of plough oxen, Rs. 1-8. 2 labourers, annas 8.
4	Harrowing 4 times	1 0	Wages of plough oxen, annas 12. Labourer, annas 4.
5	First weeding of Makka	2 4	12 labourers at the rate of 3 annas.
6	Second weeding of Makka	1 8	8 labourers at the rate of 3 annas.
7	Ploughing and sowing wheat	5 0	Wages of plough oxen, Rs. 3-12. 5 labourers, Rs. 1-4.
8	Watering 5 times for 10 days	15 0	Wages of Charas, Rs. 10. 20 labourers, Rs. 5.
9	Rent	4 0	
	Total	39 0	53 labourers.

Statement showing the approximate Outturn of Makka and Wheat per bigha.

Serial No.	Name of stuff.	Weight.	Cost.		
				Mds. srs.	Rs. A.
1				3 0	10 0
1	Makka	6 0	27 0		
2	Wheat	...	2 0		
3	Wheat Husk	...	1 0		
4	Makka stalks	...	40 0		
		Total			
				39 0	
	Cost	...	1 0		
	Representing the profit				

Statement showing the loss to cultivators per bigha in case Opium cultivation goes out.

Serial No.	Profits from Opium cultivation.	Profits from wheat cultivation.	Loss as compared to Opium and Wheat cultivation.		
				Rs. A.	Rs. A.
1				33 15	
1	Rs. A.	1 0			
	34 15				

Statement showing the curtailment of labour per bigha in case Opium cultivation goes out.

Serial No.	Number of labourers working on Opium cultivation.	Number of labourers working on Wheat cultivation.	The labour that will have to be curtailed.
1	2	3	4
1	119	53	66

Statement showing the annual loss to cultivators on account of the prohibition of Opium cultivation.

Serial No.	Total area of Poppy cultivation on an average of five years.	Loss per bigha.	Total loss.
1	2	3	4
1	21,667	Rs. 4/- 0/-	Rs. 1,36,673 0/-

Statement showing the labour unprovided for.

Serial No.	Total area under poppy cultivation.	Labour curtailed per bigha.	Total bigha.	The amount of loss per labourer.	Total loss.
1	2	3	4	5	6
1	21,667	66	14,30,022	0/- 4/-	3,57,703 0/-

Statement showing the approximate annual loss to the State owing
to stoppage of Poppy cultivation.

Serial No.	Name of Heads.	Amount in Rupees. Rs.
1.	Appendix No. 3	2,12,727
2.	" " 5	56,704
3.	" " 6 }	
		<u>TOTAL</u> 2,69,431

Statement showing the annual profits to petty dealers derived from
crude Opium (Purchase and Sale).

Serial No.	Particulars.	Expenses per maund. Rs. A. P.
1.	Cost price of Juice	240 0 0
2.	Charity at mossussilat	0 8 0
3.	Weighing charges in villages	0 8 0
4.	Commission at mossussilat	2 6 6
5.	Coolies	1 0 0
6.	Cartage from the villages to towns	0 4 0
7.	Cloth Bags	2 0 0
8.	Gunny Bags	0 8 0
9.	Mapa	3 12 0
10.	Cartage to Railway Station	0 10 0
11.	Watchmen	1 0 0
12.	Railway freight	0 8 0
13-14.	Railway coolies and Mukadims, etc.	0 8 0
15.	Octroi duty Kotah city	6 1 6
16.	Discount to purchasers	5 0 0
17.	Charitable dispensary, Kotah	0 9 0
18.	Jawar for pigeons	0 2 6
19.	Brahmans	0 2 6
20.	Sweets to purchasers	0 12 0
21.	Interest to purchasers	1 6 0
22.	Commission at Kotah	2 4 0
23.	Brokerage	1 2 0
24.	Agents Gumashtas	1 0 0
25.	Charity allowed to Kotah Artias	0 2 9
26.	Temple and dispensary	0 6 0
27.	Coolies	0 4 0
28.	Ware-house rent	0 4 0
29.	Servants of the Commission Agent	0 2 6
30.	Dryage	14 0 0
	<u>TOTAL</u>	287 3 3
31.	Sale price at Kotah	300 0 0
32.	Net profit	12 12 9
33.	Net profit on 2,500 maunds of juice opium at Rs. 12.12.9 per maund	31,992 3 0

APPENDIX

As appended to the 2nd Settlement
Statement to illustrate the new well assessments and the extent to

1 No. of Group.	2 Name of Nizamat.	3	4	5	6	7	8
		Irrigated.					
		Rs. 6-8-0 Bighas.	Rs. 6-0-0 Bighas.	Rs. 5-8-0 Bighas.	Rs. 5-0-0 Bighas.	Rs. 4-12-0 Bighas.	Rs. 4-8-0 Bighas
Group I.	Chhipa Barod	...	...	613	2,603	...	2,661
	Manohar Thana	...	1,043	1,241	2,199	...	1,521
	Aklera	...	290	1,498	2,347	...	2,041
	Bakani	...	2,829	3,697	3,343	...	1,253
Group II	Asnawar	...	...	886	854	...	832
	Chechat	...	1,118	2,867	3,337	...	3,017
	Ladpura	...	...	53	243	...	1,097
Group III	Kanwas	...	414	636	1,180	...	1,509
	Digod	...	...	3	304	...	698
	Barod	...	...	...	65	...	419
Group IV	Old Ilaga	79	771	1,294	1,722	...	1,256
	Gadarwara	...	...	736	857	...	1,056
	Sangod	...	200	374	1,047	...	1,121
	Shergarh	...	144	270	628	10	1,950
Group V	Kunjer	...	111	385	937	...	1,131
	Baran	138	296	1,532	692	...	1,590
	Anta	...	417	654	1,976	...	908
	Mangrol	...	177	277	942	...	1,466
Group VI	Etawa	...	...	...	13	...	164
	Kishanganj	...	...	...	...	...	...
	Shahabad Upreti	...	...	...	...	...	...
Group VII	Shahabad Taleti	...	...	...	...	...	...
Total Bighas		217	7,810	17,216	24,639	10	25,690
Total Assessment Rs.		1,410-8	46,860-0	94,688-0	1,33,105-0	47-8	1,15,605-0

NOTE.—The wells according to the above statement pay Rs. 5,17,971-8 which gives an alliance of poppy cultivation and no suitable substitute being discovered it would be desirable to reduce Rs. 6-8 & 6-0 to Rs. 5-0,

Rs. 5-8 to Rs. 4-8,

Rs. 5-0 & 4-12 to Rs. 4-0,

Rs. 4-8 & 4-4 to Rs. 3-8,

Rs. 4-0 & 3-8 to Rs. 3-0,

Rs. 3-0 to Rs. 2-8. The other rates might stand. This would

+ (18,826 x 1) + (9,048 x $\frac{1}{2}$) + (5,929 x $\frac{1}{3}$) = Rs. 1,01,753-8. The wells would in this

No. VII.

Report of the Kotah State.

which reductions may be needed if poppy cultivation goes out.

9	10	11	12	13	14	15	16	17	18	
Irrigated area.									Total Chatti Bighas.	Remarks.
Rs. 4-4-0 Bighas.	Rs. 4-0-0 Bighas.	Rs. 3-8-0 Bighas.	Rs. 3-0-0 Bighas.	Rs. 2-8-0 Bighas.	Rs. 2-0-0 Bighas.	Rs. 1-8-0 Bighas.	Rs. 1-6-0 Bighas.			
...	1,552	1,124	416	55	...	...	...	9,134	
...	1,305	708	347	163	10	12		8,558		
...	1,069	570	76	5		...		7,696		
...	163	19	2	...	...	...	...	11,506	
...	610	276	71	7	...	...	...	3,636	
...	1,861	604	56	...	...	...	...	12,880	
...	1,687	912	772	225	222	128	46	5,592		
...	901	187	67	10	21	...	...	4,875	
...	812	307	172	...	...	...	...	2,293	
...	374	103	101	...	...	...	...	1,062	
...	855	202	55	...	...	...	...	6,234	
...	990	767	203	68	...	...	...	4,590	
...	819	692	40	...	...	...	...	4,023	
68	923	176	91	173	...	...	...	4,435	
...	706	69	...	...	...	...	...	3,389	
...	593	324	12	1	...	...	...	5,278	
...	1,370	233	...	...	...	...	...	4,958	
...	1,125	602	45	4	...	...	...	5,047	
...	621	332	78	...	...	...	...	1,203	
...	345	939	590	796	605	400	...	3,675		
...	...	...	...	45	312	6	...	363	
...	...	125	1,566	1,503	850	238	...	4,262		
68	18,826	9,048	5,329	8,055	2,029	784	46	1,14,767		
269-0	75,804-0	31,668-0	15,937-0	7,637-8	4,058-0	1,176-0	46-0	5,17,971-8		

round rate of Rs. 4-8 per bigha or Rs 11-8 per acre. In the event of the total disappear-

cost the State $217 \times 1\frac{1}{2}$ + $(7,810 \times 1)$ + $(17,216 \times 1)$ + $(24,639 \times 1)$ + $(10 \times \frac{1}{2})$ + $(25,690 \times 1)$ + $(68 \times \frac{1}{2})$
case pay Rs. 4,16,218-0, i.e. an all round rate of Rs. 3-10 per bigha or Rs. 9- per acre.

Terms of Reference with Answers.

(1). AGRICULTURAL.

I. (a) *The extent to which poppy is cultivated in each State.*

The acreage of poppy cultivation in the State is given in Appendix No. I.

(b) *The quality and the nature of the lands on which it is cultivated and the amount of irrigation required and the nature of the arrangements for such irrigation.*

Poppy is by rotation cultivated in all the irrigated areas in the State which mostly lie in hilly dales and on rivers and nala and are generally of light soil partly mixed with Kankars and partly with sand. Fields are irrigated from wells, Dehris and uplifts. As a rule, water is taken out from wells by means of Lav-charas. Poppy usually requires from seven to nine waterings according to the nature of the soil and rainfall conditions.

(c) *The liability of the yield of the crop to fluctuate owing to seasonal conditions.*

The period for poppy cultivation begins from October and ends by the month of March, i.e., just after the rainy season is over and before the Summer sets in. This period for the poppy cultivation is the best and the most suitable one. The yield does fluctuate owing to seasonal conditions, viz., frost, excess of winter showers or deficient rainfall as also hail storm all of which adversely affect the crop but these calamities equally affect other crops.

(d) *The advantages or disadvantages of cultivating poppy as compared with other crops from the point of view of the cultivator.*

Advantages.—(1) The high value of the crop per unit of area occupied.

(2) Possibility of securing a food crop with a money crop from the same fields every year without interruption.

(3) It gives them supplementary crops without much expense and labour such as garlic, Dhania, Zira and other vegetables.

(4) It is less exhausting to the soil than wheat and Makka. On the contrary, it increases the fertility of the soil providing manure by itself. The land which grows poppy one year will grow as good poppy the next year. This is not so with wheat and corn.

(5) Poppy also facilitates payment of Raj dues as also easily secures credit for cultivators from village money-lenders. In fine, it is the backbone of their solvency.

Disadvantages.—There are no disadvantages from the point of view of a cultivator apart from liability of poppy yield to fluctuations owing to seasonal conditions which affect other crops as well.

Statements marked No. 2 and 2 A are herewith attached which show the estimated cost and income of a cultivator owning and cultivating an average holding of 50 Bighas with 4 bullocks.

(c) *The possibility of substituting other crops for poppy and the effect on the cultivator of such substitution.*

There are no substitutes for poppy.

(2) FINANCIAL.

(a) *Land Revenue, distinguishing revenue from land cultivated with poppy for supply to the Government of India, that from land cultivated with poppy for supply to other States and that from land cultivated with opium for internal consumption.*

No area is cultivated for supply to the Government of India. For the rest, *vide* appendix No. 3.

(b) *Revenue other than land revenue derived from internal consumption.*

Vide Appendix No. 4.

(c) *Revenue other than land revenue derived from export to other States.*

Vide Appendix No. 5.

(d) *Revenue other than land revenue derived from sale to the Government of India.*

No opium is supplied to the Government of India by the State and hence there is no income to the State from this source.

(e) *Any other form of revenue.*

Vide Appendix No. 6.

II. *The proportion that the total revenue of all kinds from opium bears to the total revenue of the State.*

Under this head, a statement is annexed and marked No. 7 showing the proportion of revenue of all kinds from opium which is 6 per cent. as compared to the total revenue of the State.

III. (a) *Expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of arrangements for such control.*

A statement is herewith annexed and marked No. 8 showing the total expenditure of Rs. 5,696 as also the number of officers, clerks and menials employed with their respective functions on the regulation and control of poppy.

IV. *Loss of revenue to the State due to illicit practices in areas where opium is cultivated.*

This cannot be definitely ascertained. The strictest regulation and control of poppy cultivation have largely tended to baffle such attempts on the part of the offenders.

V. *Loss of revenue due to smuggling from outside the State.*

This cannot be definitely ascertained. The strictest regulation and control of poppy cultivation have largely tended to baffle such attempts on the part of the offenders.

VI. *The present cost and selling price of opium, the possibility of gradually raising the latter and the effect upon the State's finances of such a policy.*

The present cost of supply and the selling price of opium are shown in the accompanying statement marked No. 9. The selling price of opium can be raised at the utmost to the extent of one to two annas per tola, but this enhancement cannot have any appreciable effect on the revenue of the State and any inflation in the selling price beyond the extent specified above is impossible and will be strongly resented by the consumers with their usually scanty resources. On the other hand, it may lead to the use of other and more deleterious drugs.

VII. *The present source of supply and the possibility of meeting the demand in the first instance from stocks held in the States under consideration taken as a whole and ultimately from Ghazipur, with special reference to the financial results of such a policy so far as these do not fall under any of the heads mentioned above.*

Poppy is grown in the State and hence the source of supply is through home production. There is no stock of opium held by the State. Of course, the Sahukars have got their stocks of opium as wholesale dealers for purposes of trade. As Ghazipur cannot produce opium suited to the taste of the local consumers, the question of ultimately meeting the State's demand from Ghazipur is unthinkable.

VIII. *Effect of discontinuance of cultivation of poppy on States that cultivate for the Government of India and what steps, if any, can be taken to meet the same.*

The Kotah State is in no way concerned with this item as the State does not produce opium for the Government of India.

II. *Consumption in the State.—(i) The manner in which opium is used, the purposes for and occasions on which it is used and the extent to which it is used and in particular to which it is administered to children.*

Opium is generally used in dry form and in a diluted form also especially on occasions such as betrothals, weddings, birthdays, big

festivals and similar other occasions of rejoicing when its use is considered as highly auspicious. Certain communities have been since time immemorial addicted to its use owing to climatic conditions and the traditions of their families. It is also prescribed as a sedative towards cure internally as well as externally in different aliments. Men, women and children alike take opium. To most of the children it is administered up to the age of 3 years as a preventive against disease and also to send them to sleep while their mothers are at work. In fine, it is to them almost their mother's milk. Adults take it for purposes of intoxication as also by way of medicine. The old and imbecile take it as a tonic. It is also used as a medicine for cattle and horses. The quantity taken varies from one Ratti to one Masha or even more. Opium smoking is not heard of in this State.

(ii) *The forms (ball, biscuit, etc.) in which opium is used in the State.*

Opium is used in the State in the form of biscuits.

(iii) *The chemical composition of opium when prepared for consumption in the manner prevalent in the State and its physiological effects upon the consumers when so consumed.*

Excepting oil to refine it, nothing else is mixed with opium to prepare it for consumption. Of course, poppy leaves are strewn over it so that oil may be absorbed thereby. The consumption of such opium does not seem to produce any injurious effects. It is readily acceptable to those who take it.

(iv) *The possibility and desirability of effecting a substantial reduction in the amount of opium consumed in the State, the means (increase of selling price or otherwise) by which this could be effected and the financial or other obstacles to such reduction in so far as these have not been dealt with under any of the heads above.*

Its particular suitability to the climate, habitual use by the majority of the people for long as also old customs and social usages render the total discontinuance of the consumption of opium well nigh inconceivable but it is quite likely that with the spread of education and enlightenment, its use may diminish in course of time. No such artificial remedies such as the raising of selling price or any penal legislation will lead to its entire extinction.

III. Stocks of opium in the State.—Their quantity, by whom they are held, their value, the extent to which they are already under State control and how best they could be disposed of.

There are no stocks of opium in the State except with Sahukars, the wholesale dealers, for purposes of trade. *Vide* appendix No. 10.

They are absolutely under State control. The best way to dispose of them is to maintain the freedom of trade.

IV. Smuggling out of the State.—Its causes and prevalence, the preventive agencies in existence, their present effectiveness and the possibilities of their improvement.

It is very difficult to say whether opium is or is not smuggled out of the State. The State has made all attempts to check the illicit practices by introducing Excise reform in the shape of the State Opium Act and other rules and regulations, as also by maintaining a preventive staff which to the best of its power keeps a vigilant eye over infringements and violations of the said rules and have succeeded in reducing such cases to the minimum. The real cause of smuggling is the disparity in the rates in States and British India. This in itself is a standing incentive to smugglers.

V. Purchase from Ghazipur.—The advisability and practicability of the purchase of opium by the State from Ghazipur at cost price. How far inhabitants of the States would be prepared to consume Ghazipur opium and whether Ghazipur could produce opium suitable to their taste and needs.

To indent opium from Ghazipur when good opium can be produced locally seems to be an impracticable idea in view of what has been already stated. The people here have no taste for any opium other than their own local product and to force foreign opium on them will be strongly resented. Any such policy is likely to create unnecessary hardship and discontent.

VI. The policy suggested by the Government of India.—The advisability and practicability of adopting the policy suggested by the Government of India, namely, the discontinuance of cultivation in the States, the purchase of opium by the States from Ghazipur at cost price and the adoption by the States of the policy of maximum revenue from minimum consumption so as to ultimately raise the selling price to a level with that in the adjoining British districts, thereby removing the incentive to smuggling and reducing consumption.

Vide Note.

VII. General.—Any other subjects relevant to the matters mentioned above.

Vide Note.

APPENDIX No. I.

Statement showing the area under Poppy with total outturn and average yield per acre from Samvat year 1961 to 1983 (1904 to 1927).

Samvat Year and A. D.	Area under Poppy cultivation in Acres.	Outturn.	Average yield per acre in Seers.	Remarks.
		Mds.	S.	
1961—(1904-05)	31,186	...	...
1962—(1905-06)	13,936	...	...	Famine year.
1963—(1906-07)	22,814	...	...
1964—(1907-08)	17,350	...	...	Dry year.
1965—(1908-09)	13,429·6	...	...
1966—(1909-10)	11,184	...	...
1967—(1910-11)	16,504·4	...	...
1968—(1911-12)	7,607·6	...	...	Dry year.
1969—(1912-13)	11,884·8	...	...
1970—(1913-14)	2,260·4	...	...	Famine year.
1971—(1914-15)	3,955·2	...	...
1972—(1915-16)	4,934·4	...	...
1973—(1916-17)	10,880·4	...	...
1974—(1917-18)	6,903·2	1,071	31	6·2
1975—(1918-19)	4,333·2	917	39	8·5
1976—(1919-20)	8,678·8	1,393	30	6·4
1977—(1920-21)	9,068·8	2,705	22	12·2
1978—(1921-22)	9,760·0	2,540	12	10·4
1979—(1922-23)	10,472·8	3,390	30	13·0
1980—(1923-24)	8,827·6	2,445	15	11·1
1981—(1924-25)	7,346·4	2,097	16	11·4
1982—(1925-26)	6,926·8	1,809	37	10·5
1983—(1926-27)	8,862·8	3,083	13	13·9

Figures for these years are not available.

} Adverse effects continued.

APPENDIX No. II.

Statement showing the estimated expenses and income of a cultivator holding and cultivating an average holding of 50 Bighas with 4 bullocks.

Area in Bighas.	Name of stuff.	Cost of cultivation.		Gross income from the produce.		Net profits.	
		1	2	3	4		
		Rs. A. P.	Mds.	Rs. A. P.	Rs. A. P.		
2	Makka (After Opium)	Manuro Ploughing twice Makka seed Weeding twice Harrowing by rake Opium seed Ploughing times Levelling times 7 Waterings Weeding thrice Raking twice Incising and scraping	15 0 0 4 0 0 0 8 0 7 8 0 2 0 0 1 0 0 18 0 0 4 8 0 31 8 0 6 0 0 4 0 0 13 2 0	Makka Chara Opium Dana Zira Dona18 60 0 0 .0 3 0 0 .0 60 0 0 .0 15 0 0 .0 12 0 0 .0 6 0 0		
		Total	107 2 0	Total	183 0 0	77 11 0	
Irrigated area.	Cotton	Ploughing twice Kuli driving twice Seed Sowing Raking thrice Weeding Manure 10 carts Collecting	2 0 0 0 12 0 0 8 0 0 10 0 0 15 0 3 2 0 5 0 0 4 0 0	Cotton	4 32 0 0		
		Total	16 15 0	Total	52 0 0	16 15 0	
1	Groundnut	Ploughing twice Kuli driving twice Sowing I Credit Seed Raking twice Weeding twice Manuro Watering Digging	2 0 0 0 12 0 6 10 0 0 5 0 4 0 0 6 10 0 3 2 0 5 0 0 2 0 0 6 0 0	Groundnut Fodder	12 37 0 0 0 0 0 0		
		Total	71 2 0	Total	34 0 0	34 0 0	

APPENDIX No. II—*concl'd.*

Statement showing the estimated expenses and income of a cultivator holding and cultivating an average holding of 50 Bighas with 4 bullocks—concl'd.

Area in Bighas.	Name of stuff.	Cost of cultivation.	Gross income from the produce.	Net profits.
1	2	3	4	5
		Rs. A. P.	Mds. Rs. A. P.	Rs. A. P.
16	Juar and Mung.	Ploughing . . . 5 0 0 Sowing . . . 5 0 0 Seed . . . 4 0 0 Ploughing . . . 5 0 0 Watching twice 10 0 0	Juar . . . 48 144 0 0 Mung . . . 1 4 0 0 Fodder . . . 0 32 0 0	
		Total . . . 29 0 0	Total . . . 180 0 0	151 0 0
2	Tilli	Ploughing and sowing . . . 2 0 0 Seed . . . 0 8 0 Weeding twice. 3 12 0	Tilli . . . 2 14 0 0	
		Total . . . 6 4 0	Total . . . 14 0 0	7 12 0
1	Fodder Sud	Ploughing and sowing . . . 1 0 0 Seed . . . 1 0 0	Fodder . . . 0 8 0 0	
		Total . . . 2 0 0	Total . . . 8 0 0	6 0 0
4	Mer Ghas	...	...	10 0 0
10 10. 3	Wheat Gram Linseed Dhana	Ploughing and sowing . . . 32 0 0 Seed . . . 36 8 0 Watching . . . 20 0 0	Wheat . . . 25 112 8 0 Gram . . . 30 90 0 0 Alsi, dhana . . . 3 32 0 0	
		Total . . . 88 8 0	Total . . . 258 8 0	170 0 0
	Rent. Hali. Gual. Plough Cooly Danta Charas Nedi, etc. One bullock	64 0 0 96 0 0 48 0 0 6 0 0 50 0 0	.....	64 0 0
		GRAND TOTAL 545 5 0	724 0 0	178 11 0

APPENDIX No. II(a).

Statement showing the estimated expenses and income of a cultivator holding and cultivating an average holding of 50 Bighas having 4 bullocks.

Area in Bighas.	Name of the Staff.	Cost of cultivation.	Gross income from the produce.		Net Profits.	Remarks.
			1	2	3	4
			Rs. A. P.	Mds. Rs. A. P.	Rs. A. P.	
2 Bighas	Makka	Makka seed . . .	0 8 0	Makka 6	20 0 0	
	(After)	Wheat . . .	6 0 0	Wheat 12	54 0 0	
	Wheat	Manure 20 carts	10 0 0	Bhusa —	4 0 0	
		Ploughing twice	4 0 0	Karvi —	2 0 0	
		Harrowing by rake . . .	2 0 0	.....	
		Weeding Makka twice . . .	7 8 0	.....	
		Ploughing Wheat . . .	10 0 0	.....	
		5 Waterings . . .	30 0 0	.....	
		Total . . .	70 0 0	Total . . .	80 0 0	10 0 0
48 Bighas	Ref. 1 D		174 3 0		539 0 0	354 13 9
Rent . . .			57 8 0	...	374 13 0	
Hali, Gual . . .						
Plough kuli . . .			200 0 0	...	257 8 0	
Bullocks, etc. . .						
		GRAND TOTAL	501 11 0		619 0 0	117 5 0

NOTE.—The usual rotation of crops is confined to non-irrigated area (Korwan). The usual practice on the part of the cultivators is to sow Juar in the first year. Gram and Dhana the next year and wheat linseed or the mixture of the two in the third year and vice versa. This practice is not uniform on the part of the cultivators but in certain villages the usual practice of the rotation of crops is to sow Tilli in the first year followed by wheat and linseed the next year and Juar in the third year. The practice of rotation of crops results in the yield being increased by 25 per cent. per Bigha as compared to the normal yield of $2\frac{1}{2}$ Maunds per Bigha, but the cultivators do not adhere to this practice of rotation of crop in all the field partly owing to their requirements of fodder and partly due to their apprehensions of frost. Notwithstanding, certain fields are kept under rotation.

APPENDIX No. III.

Statement showing the loss of the land revenue if poppy cultivation goes out.

Details.	Area in acres.	Average rate per acre which will have to be lowered.	Rent that the State will have to lose.
1	2	3	4
		Rs. A. P.	Rs. A. P.
1 of 45,584 acres (Total irrigated area)	15,195	9 0 0	1,36,755 0 0
The rest 2 of 45,584 acres	30,389	2 8 0	75,972 8 0
Total	...	...	2,12,727 8 0

APPENDIX No. IV.

Statement of revenue, other than land revenue, derived from internal consumption of opium.

Serial No.	Samvat Year and A. D.	Sales at retail shops.	Average price and duty per seer.		Warehouse rate with duty.	Profit per seer, Diff. of Cols. 4 and 5.	Total profit.	License Fees.	Total of Revenue	A. P.	Remarks.
			Mrds.	s. ch.							
1	2	3	4	5	6	7	8	9	10		
1	1974—(1917-18)	48	0	0	24	5	7	24	8	0	30,804
2	1975—(1918-19)	110	5	6 ¹ ₂	21	0	3	21	8	0	23,524
3	1976—(1919-20)	79	18	9	21	0	3	21	8	0	15,718
4	1977—(1920-21)	70	6	8	21	0	3	24	8	0	13,962
5	1978—(1921-22)	59	16	0	21	0	3	24	8	0	23,740
6	1979—(1922-23)	55	24	0	16	11	2	24	8	0	13,315
7	1980—(1923-24)	55	24	12	15	7	8	24	8	0	17,351
8	1981—(1924-25)	69	29	11 ¹ ₂	14	8	5	24	8	0	20,069
9	1982—(1925-26)	69	14	6 ¹ ₂	14	4	9	24	8	0	22,824
10	1983—(1926-27)	66	5	4	16	3	1	24	8	0	10,307
								8	4	11	15,146
								21	971	13	10
											15,910
											37,314
											13
											10

The above statement does not include the following forms of consumption which should also be taken account of:—

Notes.—(1) Consumption of opium by cultivators till the overturn is actually weighed.
 (2) Even after weighing, every licensee retains 10 tolas of opium as illicit consumption.
 (3) Jagirdars too retain opium for consumption with special permission.
 (4) The consumption of opium by wholesale dealers.
 (5) The Kotriyas have also got their own stock of opium for consumption.
 (6) The hemp shops in the States are quite separate units.

APPENDIX No. V.

Statement showing the revenue derived from export of opium to other States.

Serial Number. 1	Samvat Year & A. D. 2	Opium exported in Mds. 3	Export duty at Rs. 17 per md. 4
			Rs.
1	1959—(1902-03)	6,366	1,08,222
2	1960—(1903-04)	8,236	1,40,012
3	1961—(1904-05)	3,915	61,455
4	1962—(1905-06)	3,467	58,539
5	1963—(1906-07)	3,875	65,875
6	1964—(1907-08)	2,838	48,246
7	1965—(1908-09)	3,701	62,917
8	1966—(1909-10)	1,942	33,014
9	1967—(1910-11)	1,843	31,331
10	1968—(1911-12)	2,403	40,851
11	1969—(1912-13)	2,458	41,786
12	1970—(1913-14)	1,697	28,849
13	1971—(1914-15)	2,035	34,595
14	1972—(1915-16)	1,857	31,609
15	1973—(1916-17)	1,031	17,527
16	1974—(1917-18)	1,360	23,120
17	1975—(1918-19)	1,157	19,669
18	1976—(1919-20)	952	16,184
19	1977—(1920-21)	1,079	18,343
20	1978—(1921-22)	1,413	24,021
21	1979—(1922-23)	2,493	42,381
22	1980—(1923-24)	1,622	27,574
23	1981—(1924-25)	1,338	22,746
24	1982—(1925-26)	1,468	24,956
25	1983—(1926-27)	1,818	30,905

APPENDIX No. VI.

Statement showing other forms of revenue from poppy.

Serial Number.	Samvat Year & A. D.	Wholesale dealers license fees.	Import duty.	Export duty on poppy seeds.	Export duty on poppy seed oil.	Confiscation and fine.	Total.	8	9	Remarks.
1	2	3	4	5	6	7				
1	1974—(1917-18)	3,350	...	2,473	158	Not available.	15,981			
2	1975—(1918-19)	8,350	419	2,852	163	1,233	13,007			Only fines.
3	1976—(1919-20)	9,850	12	6,008	66	Not available.	15,936			
4	1977—(1920-21)	8,200	4,599	8,236	109	1,005	22,149			
5	1978—(1921-22)	8,250	1,752	11,500	190	1,369	23,061			
6	1979—(1922-23)	8,600	686	21,020	262	5,692	36,260			
7	1980—(1923-24)	7,200	390	8,859	280	15,890	32,125			
8	1981—(1924-25)	7,000	1,453	3,203	198	6,077	17,931			
9	1982—(1925-26)	5,450	466	6,113	365	2,193	14,587			
10	1983—(1926-27)	5,950	666	17,002	457	1,722	25,797			

Note:—The import duty per Maund is as under:—

Juice Rs. 2-8-0, Manufactured opium Rs. 40.

APPENDIX No. VII.

Statement showing the proportion of the Total Revenue of all kinds from opium to the total revenue of the State.

Total revenue of all kinds from opium Samvat Year 1983 (1926-27). 1	Total revenue of the State for Samvat Year 1983 (1926-27). 2	Percentage. 3
Rs. 2,69,431	Rs. 43,68,154	6.09

APPENDIX No. VIII.

Statement showing the expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of the arrangements for such control.

Serial No.	Designation. 2	Pay. Monthly 3		Annual. 4	Functions performed. 5
		Rs. 125	Rs. 1,500		
1	Assistant Excise				Control of stocks, manufacture, sales, export to grant permission, to file suits, compilation of statistics, issue of permits, purchase and distribution of Kachra opium, to pass orders on Thaka files & issue licenses.
2	Saribedar . . .	40	480		To read files and write orders on.
3	Excise clerk . . .	30	360		To keep all registers and statements regarding the produce, stocks, sale of opium, to fill in license, permits and to prepare periodical accounts.
4	Judicial clerk . . .	37	444		To keep registers and files of cases.
5	Nazir . . .	35	420		To keep stocks of printed forms & registers & distribute them.
6	Despatching Clerk	25	300		To despatch correspondence.
7	Income Clerk . . .	35	420		To keep files and registers of Thaka.
8	Peons 4 . . .	36	432		
9	Peons 1 . . .	9	108		
10	Prosecuting Inspector	69	720		To file suit and to conduct the prosecution.
11	Peons 2 . . .	15	216		
	Total	459	5,457		
	Half	225	2,728		

APPENDIX No VIII—concl'd.

Statement showing the expenditure upon the regulation and control of the cultivation, manufacture and distribution of opium and the nature of the arrangements for such control—concl'd.

Serial No.	Designation.	Pay.		Functions performed.
		Monthly	Annual	
1	2	3	4	5
1	Treasurer's allowance	40	480	
2	Opium Inspectors 2	150	1,800	To have the opium weighed, packed and sealed for export and to fill up the permits.
3	Peons 2	18	216	
4	Contingent	...	500	
	Total	208	2,996	
	Grand Total	433	5,696	

NOTE.—In addition to the staff detailed above, the regulation and control of poppy cultivation also engage the attention of the Revenue Commissioner with his 3 Assistants, 19 Nazims, 13 Naib Nazims, 68 Girdawar Qanungos, 362 Patwaris, and 2,270 Patels in their respective spheres, as also the Superintendent; Customs and Excise, with his Assistant, 19 Inspectors, Customs and Excise and 36 Zakatis have also got to attend to the directions and regulations of the Stocks of opium according to their respective spheres in the hands of the wholesale dealers.

For legislative measures to check the illicit practices, vide Opium Act with various Hidayats and Circulars on the subject.

APPENDIX No. IX.

Statement showing the exact estimate of the present cost of supply of opium.

Year.	Quantity of opium pur. chased.	Price paid.	Packing and transit charges.	Allowance to treasury clerks.	Loss on account of dryage.	Interest.	Total expenses	Cost price per seer.
1	2	3	4	5	6	7	8	9
	Mds.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
1983 (1982-27)	100	63,420 0 0	247 11 0	480 0 0	627 4 1	No interest is charged by the State.	64,774 15 1	16 3 1

NOTE.—The selling price of opium is Rs. 30 per seer.

APPENDIX No. X.

Stock of opium held by wholesale dealers on the 30th September 1927.

Serial No.	Name of wholesale dealer.	Place.	Crude.	Quantity of Opium.		
				Biscuits.	Balls.	Total.
1	2	3	4	5	6	7
			Mds. S. Ch.	Mds. S. Ch.	Mds. S. Ch.	Mds. S. Ch.
1	Harlal Ganga Bishan	Kotah City.	88 3 10	42 35 12	0 0 13	42 36 9
2	Mangalji Chotelal	„	285 3 6 $\frac{1}{2}$	241 24 0	164 32 10 $\frac{1}{2}$	406 16 10 $\frac{1}{2}$
3	Panachand Uttam-chand.	„	399 17 13 $\frac{1}{2}$	952 4 13	116 4 6 $\frac{3}{4}$	1,068 9 3 $\frac{1}{4}$
4	Rajroop Ramkishandas.	„	68 25 1 $\frac{1}{2}$	218 12 8 $\frac{1}{4}$	14 11 4	232 33 7 $\frac{1}{4}$
5	Maganmal Bachraj	„	130 15 9 $\frac{3}{4}$	156 10 3	33 24 14 $\frac{1}{2}$	189 35 1 $\frac{1}{4}$
6	Jawaharmal Gambhirmal.	„	982 32 2 $\frac{1}{2}$	87 22 5 $\frac{1}{2}$	293 30 2 $\frac{1}{2}$	1,171 12 8
7	Kalooram Ramnarain	„	18 32 13	12 6 2	0 0 0	12 6 2
8	Jawaharlal Bhanwar-lal.	„	6 1 10	5 16 9	0 0 0	5 16 9
9	Chandanmal Rikhab-das.	„	75 26 14 $\frac{1}{2}$	78 3 10	2 31 11 $\frac{1}{4}$	80 35 5 $\frac{1}{2}$
10	Sameermal Loda	„	0 0 0	33 33 3	38 37 14	72 30 14 $\frac{1}{2}$
11	Surajmal Keshrilal	„	88 14 12	0 0 0	0 0 0	0 0 0
12	Fatehraj Gajraj	„	9 15 8 $\frac{3}{4}$	12 5 6	0 0 0	12 5 6
13	Chaganlal Baphna	„	107 16 2 $\frac{1}{2}$	48 19-13	0 1 2	48 20 15
14	Devilal Chipa	„	0 0 0	0 30 0	0 0 0	0 30 0
15	Ganeshdas Hamir-mal.	„	55 35 2 $\frac{1}{2}$	6 16 6	32 21 0	38 37 6
16	Loonkaran Shankar-lal.	„	425 26 8 $\frac{1}{2}$	455 22 3 $\frac{1}{4}$	128 14 6	583 36 9 $\frac{1}{2}$
17	Thikana Kunari	Ladpura	5 36 3	2 36 10	0 0 0	2 36 10
18	Thikana Palaita	Antah	3 4 7 $\frac{1}{2}$	10 32 15	0 0 0	10 32 15
19	Thikana Bamulia	„	1 34 10	0 15 8	0 0 0	0 15 8
20	Thikana Koila	Barau	2 18 3 $\frac{1}{2}$	7 20 8 $\frac{1}{2}$	0 0 0	7 20 8 $\frac{1}{2}$
21	Bahadurmal Mangi-lal.	„	0 25 10 $\frac{1}{2}$	1 38 4	0 0 0	1 38 4
22	Karamchand Kishan-lal.	„	46 21 14	0 0 0	0 0 0	0 0 0

APPENDIX No. X—contd.

Stock of opium held by wholesale dealers on the 30th September 1927—
contd.

Serial No.	Name of wholesale dealer.	Place.	Crude.	Quantity of Opium.								
				Biscuits.	Balls.	Total.						
				1	2	3	4	5	6	7		
				Mds.	S.	Ch.	Mds.	S.	Ch.	Mds.	S.	Ch.
23	Balchand Govindmal.	Bakani	21 30 9 $\frac{1}{2}$	3 16 13 $\frac{3}{4}$	19 13 13 $\frac{1}{2}$	22 30 11 $\frac{1}{4}$						
24	Chandarlal Bakshi-lal.	„	26 3 11	0 0 0	0 0 0	0 0 0						
25	Pannalal Bhikam-chaud.	„	28 5 4	0 0 0	0 0 0	0 0 0						
26	Kanhaiyalal Indermal	„	26 22 8 $\frac{1}{2}$	0 0 0	0 0 0	0 0 0						
27	Salagram Deolal	„	6 12 $\frac{1}{2}$	0 0 2 $\frac{3}{4}$	7 39 1 $\frac{1}{4}$	8 1 2						
28	Sanwarlal Hazarilal	„	0 0 4	0 1 6 $\frac{1}{2}$	7 27 7 $\frac{1}{2}$	7 28 1 $\frac{1}{4}$						
29	Bharoonlyal Raliram	„	16 5 12	2 24 8	0 0 0	2 24 8						
30	Mathralal Balkishan	„	1 8 13 $\frac{1}{2}$	0 37 2 $\frac{1}{2}$	12 2 12	12 39 14 $\frac{1}{2}$						
31	Tilokchand Roop-chand.	„	0 0 0	0 1 1	0 3 2	0 4 3						
32	Rampartap Nursing-lal.	„	4 39 4 $\frac{1}{2}$	0 0 0	0 0 0	0 0 0						
33	Mannalal Bhanwarlal	Khanpur	0 12 $\frac{3}{4}$	0 0 0	0 0 0	0 0 0						
34	Jagannath Ramgopal	„	0 23 10	0 16 1	0 0 0	0 16 1						
35	Thikana Sojpur	„	0 32 6 $\frac{1}{2}$	0 0 0	0 0 0	0 0 0						
36	Thikana Sarola	„	0 33 13	0 19 4 $\frac{3}{4}$	0 0 0	0 19 4 $\frac{3}{4}$						
37	Thikana Sarthal	Chhipa Barod.	0 2 12 $\frac{1}{4}$	0 2 2	0 0 0	0 2 2						
38	Ganeshdas Kishnaji	„	0 15 10	17 10 9	0 0 0	17 10 9						
39	Jiwanlal Onkarlal	Kunjer	3 20 0	0 0 0	0 0 0	0 0 0						
40	Private Secretary	Kotah City.	0 0 0	68 0 0	0 0 0	68 0 0						
	Excise Office	„	24 0 4	0 0 0	0 0 0	0 0 0						
	Total	...	2,954 31 2 $\frac{1}{4}$	3,282 17 9 $\frac{1}{2}$	872 16 8 $\frac{1}{4}$	4,130 33 13 $\frac{3}{4}$						
	Price Rs.	...	8,19,951-2-4	17,39,689-1-10 $\frac{1}{2}$	3,14,068-10-3	28,73,708-14-6						

Statement showing irrigated area and rent as compared to the total area with Land-revenue Samvat-year 1983 (1926-1927).

Serial No.	Name of Nizamats.	Total area Samvat 83.	Irrigated area.	%	Total rent.	Rent of irrigated area.	%
1	2	3	4	5	6	7	8
1	Chechat	65,172·0	5,456·8	8	1,86,344	66,268	36
2	Asnawar	20,680·0	1,655·2	8	56,296	19,912	35
3	Bakani	50,770·8	4,760·4	6	1,58,083	63,715	40
4	Iklera	54,902·8	3,480·8	8	1,44,734	40,440	28
5	Manoharthana	49,830·8	3,766·8	9	1,17,000	35,416	30
6	Chhipabarod	42,010·0	3,867·2	3	1,36,232	42,094	31
7	Kunjer	88,914·4	2,576·4	6	2,90,420	27,638	10
8	Khanpur	78,918·0	4,430·4	9	2,62,372	52,121	20
TOTAL		451,193·8	29,993·6	7	13,51,481	3,47,604	26
9	Barau	68,964·8	2,024·0	3	2,59,161	24,035	9
10	Antah	61,403·2	1,808·0	3	2,10,329	19,916	9
11	Mangrol	55,222·4	1,337·6	2	1,86,255	18,997	8
12	Ladpura	54,439·6	2,586·8	5	1,63,013	23,485	11
13	Sangod	55,380·4	1,374·4	2	1,73,858	15,350	9
TOTAL		295,410·4	9,130·8	3	9,92,616	96,783	10
14	Barod	46,739·6	274·0	6	1,48,951	2,538	2
15	Digod	57,758·	544·4	1	1,61,130	5,539	3
16	Kanwas	51,196·8	1,799·6	4	1,68,249	19,769	12
17	Shahabad	81,602·8	2,128·4	7	42,465	14,425	34
18	Kishangunj	46,380·8	1,418·0	3	77,498	18,469	17
19	Itawa	56,759·6	294·8	5	1,99,159	2,773	1
TOTAL		290,497·6	6,459·2	2	8,00,482	58,524	7
GRAND TOTAL		1,037,046·8	45,583·6	4	31,44,579	5,02,911	16

Statement showing area, revenue and assessment rates according to the Second Settlement and the Third one in those Nizams where Poppy cultivation is allowed.

Serial Number.	Name of Nizams.	Irrigated area in Bighas.			Rent in Rupees.			Average rate per bighas.			Remarks.	
		Second Settlement.	Third Settlement.	Kami.	Kami per cent.	Second Settlement.	Third Settlement.	Kami.	Kami per cent.	Second Settlement.	Third Settlement.	
1	Kunjir.	7,774	6,599	1,175	15	35,246	28,307	6,939	20	4 8 6	4 4 8	0 3 10*
2	Khampur.	10,824	11,101	...	...	50,971	52,239	...	...	4 9 10	4 11 3	...
3	Chhipabatrod.	9,184	9,938	...	...	40,264	42,786	...	...	4 6 6	4 7 2	...
4	Monolurthane.	8,553	9,293	...	...	40,122	41,686	...	...	4 11 0	4 9 6	0 1 6†
5	Iklera.	7,596	8,616	...	...	37,410	39,586	...	...	4 11 9	4 11 6	0 0 3†
6	Bajani.	11,505	11,936	...	...	61,455	63,026	...	...	5 5 6	5 5 6	...
7	Asnawar.	3,536	4,001	...	...	16,524	18,308	...	...	4 10 9	4 12 1	...
8	Chechat.	12,880	13,379	...	...	62,524	63,997	...	...	4 13 9	4 13 3	0 0 6
Total.		72,108	74,893	...	...	3,44,546	3,49,924	...	...	...	...	...
Acres		28,843.2	29,957.2	...	...	...	...	...	...	...	...	..

* Certain portion of the Nizamat is allowed to grow poppy and hence the Kami (Decrease).

† Full rates are not yet levied on some of the wells.

Statement showing area, revenue and assessment rates according to the 2nd Settlement and the Third one in that group of Nizamats where Poppy cultivation is allowed to certain cultivators in certain villages.

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Serial Number	Name of Nizamat.	Irrigated area.			Rent.			Average rate per Bigha.			Remarks.
		Second Settlement year 1907.	Third Settlement.	Kami.	Kami per cent.	Second Settlement year 1907.	Third Settlement.	Kami.	Kami per cent.	Second Settlement year 1907.	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs. a. p.	
1	Ladpura	5,592	6,493	...	...	20,768	23,577	...	...	3 11 6	3 10 1 0 1 5
2	Mangrol	5,047	3,445	1,602	32	21,872	14,419	7,453	34	4 5 3	4 3 0 0 2 3
3	Antab	4,958	4,420	468	9	23,360	19,798	3,562	15	4 11 3	4 6 6 0 4 9
4	Baran	5,278	5,162	116	2	25,549	24,519	1,030	4	4 13 6	4 12 0 0 1 6
5	Saugod.	4,023	3,391	632	16	18,124	15,154	3,270	18	4 9 9	4 7 6 0 2 3
	Total	24,598	22,981	2,818	11	1,09,973	97,467	15,315	14	...	...
	Aures	9,959.2	9,192.4	1,127.2	...	...	...	...	...	...	...

Statement showing area, revenue and assessment rates according to the 2nd Settlement and the third one in those Nizamats where poppy cultivation has been absolutely put a stop to.

Serial Number	Nizamats.	Chahi (irrigated) area.			Rent.			Average rate per Bigha.
		Second Settlement, 1907.	Third Settlement, 23-4 (St. 31).	Kami. per cent.	Second Settlement, 1907.	Third Settlement, 23-4 (St. 31).	Kami. per cent.	
1	Barod	1,062	722	340	32	Rs. 4,370	Rs. 2,695	Rs. 1,675
2	Digod	2,296	1,527	769	33	9,516	6,163	3,348
3	Itawah	1,208	756	452	37	4,683	2,821	1,862
4	Kanvavas	4,875	4,512	363	7	22,949	19,867	3,082
5	Shahabad							
6	Kishangunj							
	Total	9,441	7,517	1,924	20	41,518	31,551	9,967
	Acres	37764	30068	7696	...	...	...	...

As the assessment rates have not yet been finally revised in these two Nizamats, the same situation as in other Nizamats holds good in their case too.

Statement showing the number of Wells and Debris according to the 2nd and the 3rd Settlements in those Nizamats where certain cultivators in certain villages are permitted to grow puppy.

Serial Number.	Name of Nizamats.	2nd Settlement.			3rd Settlement.			Kami (less).	Beshi (Increase).
		Wells.	Debris.	Total.	Wells.	Debris.	Total.		
1	2	3	4	5	6	7	8	9	10
1	Ladpara	613	101	714	577	91	668	46	...
2	Mangrol	465	11	476	352	12	364	112	...
3	Antah	547	20	567	498	35	533	34	...
4	Baran	512	90	602	469	44	533	69	...
5	Sangod	429	57	486	392	47	439	47	...
Total		2,566	279	2,845	2,308	229	2,537	308	...

Statement showing the number of Wells and Debris according to the 2nd and the 3rd Settlements in those Nizamats where Poppy cultivation is permitted in limited areas.

Serial No.	Name of Nizamat.	2nd Settlement.			3rd Settlement.			Kami (loss). 9	Peshi (increase). 10
		Wells.	Debris.	Total.	Wells.	Debris.	Total.		
1	2	3	4	5	6	7	8	9	10
1	Kunjor	•	•	1,050	119	879	45	924	245* ...
2	Khanpur	•	•	968	100	934	55	959	79* ...
3	Chhipabardon	•	•	1,506	149	1,655	1,217	78	1,705 ...
4	Manoharbhata	•	•	1,637	163	1,790	1,717	103	1,820 ...
5	Aklers	•	•	1,656	149	1,805	1,727	10	1,843 ...
6	Bafani	•	•	1,817	177	1,994	1,889	126	2,015 ...
7	Asnawar	•	•	495	73	558	577	46	623 ...
8	Chechat	•	•	1,585	33	1,618	1,592	23	1,615 3 ...
	Total	10,704	953	11,657	10,952	582	11,534	327	304

* Certain portion of the Nizamat and not the whole of it is permitted to grow " poppy and hence the decrease in the number of Wells and Debris.

Statement showing the number of Wells and Debris according to the 2nd and the 3rd Settlements in those Nizamats where Poppy cultivation has been absolutely prohibited.

Serial No.	Name of Nizamats.	2nd Settlement.			3rd Settlement.			Kami (less).	Beshi (increase).
		Wells.	Debris.	Total.	Wells.	Debris.	Total.		
1	2	3	4	5	6	7	8	9	10
1	Bared	118	3	121	100	11	111	10	...
2	Dig d	272	10	282	167	13	180	102	...
3	Ituwa	128	5	133	99	18	117	16	...
4	Ranwas	561	24	585	482	7	489	96	...
5	Shahabad	•	•	•	•	•	•	•	•
6	Kishanganj	•	•	•	•	•	•	•	•
		Total	1,710	229	1,929	1,472	190	1,662	224

As the assessment rates have not yet been finally revised in these two Nizamats, the same situation as in the above Nizamats holds good in their case too.

Statement showing non-irrigated area, its rent and the average rate according to the 2nd and the 3rd Settlements in those Nizamats where poppy cultivation has been absolutely prohibited.

Serial No.	Name of Nizamats.	Non-irrigated area.						Rent.						Average rate per Bigha.								
		Second Settlement.	Third Settlement.	Kami (De-crease).	Beshi (In-crease).	Kami	Beshi.	Second Settlement.	Third Settlement.	Kami	Beshi.	Percentage Kami	Percentage Beshi.	Second Settlement.	Third Settlement.	Kami.	Beshi.	Rs. A. P.	Rs. A. P.	Rs. A. P.		
1	Barod :	38,811	46,465	...	7,625	...	16	1,15,306	1,46,443	...	27,137	...	23	1	4	4	6	...	0	0	2	
2	Digod :	44,822	57,204	...	12,32	...	22	1,20,512	1,58,511	...	37,719	...	31	1	1	3	1	5	...	0	0	5
3	Itavah	49,948	56,465	...	7,522	...	13	1,64,563	1,96,336	...	31,823	...	19	1	6	3	1	6	2	0	0	1
4	Kanwas	39,954	49,397	...	9,443	...	39	95,290	1,43,461	...	53,260	...	56	1	4	6	1	3	5	0	1	1
5	Sahbad Kishangani	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
	Total	172,560	209,532	...	36,972	...	21	4,99,911	6,49,880	...	1,49,969	...	39	...	...	...	...	...	...	...	...	...

As the assessment rates have not yet been finally revised in these two Nizamats, the same situation as in the above Nizamats holds good in their case too.

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Statement showing the non-irrigated area, its rent and the average rate according to the 2nd and the 3rd Settlements in those Nizamats where poppy cultivators in certain villages are permitted to grow poppy.

Serial number.	Name of Nizamats.	Area Non-irrigated.				Rent.				Average rent per Bigha.			
		Second Settlement, 1907.	Third Settlement.	Beshi (increase).	Per cent.	Second Settlement, 1907.	Third Settlement.	Beshi (increase).	Per cent.	Second Settlement.	Third Settlement.	Decrease.	Beshi.
1	Ladpura	42,368	51,853	9,485	18	Rs. 98,352	Rs. 1,39,528	Rs. 41,176	Rs. 42	Rs. A. P. 1 1 6	Rs. A. P. 1 1 4	2 Pies	0
2	Mangrol	47,710	53,885	6,175	12	1,52,126	1,72,254	20,128	13	1 4 9	1 4 11	0	2 Pies
3	Antah	44,340	59,595	15,255	27	1,45,232	1,90,413	45,181	31	1 4 11	1 4 7	4 Pies	0
4	Buram	46,904	66,941	20,037	30	1,64,448	2,35,126	70,678	43	1 6 4	1 6 6	0	2 Pies
5	Sangrod	37,235	54,006	16,771	31	1,04,572	1,53,518	53,936	52	1 3 3	1 2 10	5 Pies	0
Total		218,557	286,230	67,723	24	6,64,730	8,95,829	2,31,039	35	...	...	...	...

Statement showing non-irrigated area, its rent according to 2nd and 3rd Settlements of those Nizams: where pony cultivation is permitted.

Serial number.	Name of Nizamats.	Area non-irrigated.			Rent.			Average rent per Bigha.		
		Second Settlement, 1907.	Third Settlement.	Per cent. Re-hi (market).	Second Settlement, 1907.		Third Settlement.	Per cent. Re-hi (market).	Second Settlement, 1907.	Third Settlement.
					Rs.	Rs.				
1	Kuajer	36,486	96,335	21.552	35	191.515	2,62,782	71.237	37	1.60 1.37 0.25
2	Khanpur	53,415	74,458	21.073	29	1,32,357	2,10,251	77.924	59	1.59 1.59 0.25
3	Chhipabatoda	26,651	38,142	11.492	30	63,173	94,139	25,605	35	1.23 0.15 0.15
4	Manoharthana	32,327	46,034	13,737	30	53,824	81,381	27,700	62	0.15 0.12 0.12
5	Aklehra	31,177	51,422	20,215	39	64,070	1,04,294	40,224	63	0.14 0.13 0.13
6	Bakani	28,651	46,010	17,359	39	53,966	94,365	40,502	75	1.00 0.13 0.13
7	Asanawer	9,016	19,025	9,979	52	19,510	36,381	117,774	96	1.03 0.12 0.12
8	Chechat	33,905	59,718	25,511	76	94,092	1,50,0761	25,994	29	1.10 0.15 0.15
Total		271,658	421,206	119,548	36	6,77,427	10,03,577	3,26,450	48	...

APPENDIX No. IV (a).

Statement of revenue, other than land revenue derived from internal consumption of opium.

Sl. No.	Somvat Year & A. D.	Total con- sumption.	Quantity retained by licen- sed outli- vators.	Nos. 1, 3, 4, 5 of footnote of appen- dix No. V		Sales at retail shops.	Purchase price.	Average price and Duty per seer.		Profit per seer.	Total profit.	License fee.	Total of Revenue.	Remarks.	
				3	4			5	6	7	8	9	10	11	
1	1974-(1917-18)	Md. s. ch.	Md. s. ch.	Md. s. ch.	Md. s. ch.	Md. s. ch.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.	
2	1975-(1918-19)	* (1)	...	...	...	148 0 0	...	...	...	...	...	30,804	30,804	0 0	* Vide Note No. (1).
3	1976-(1919-20)	131 8 0	41 8 4	10 21 3	79 18 9	24 5 7	24 8 0	0 2 5	480 1 4	...	23,524	23,524	0 0	* Vide Note No. (1).	
4	1977-(1920-21)	121 11 0	31 33 3	9 11 0	70 6 8	21 0 3	21 0 3	3 7 9	9,778 14 5	15,238	15,718	1 4	23,740	14 5	
5	1978-(1921-22)	142 7 0	75 3 4	11 27 12	59 16 0	21 0 3	21 0 3	3 7 9	8,278 14 0	13,315	21,593	14 0	23,740	14 5	+ Vide Note No. (2).
6	1979-(1922-23)	115 21 0	39 22 14	29 17 2	55 24 0	16 11 2	16 11 2	3 7 9	7 12 10	17,351 13 4	11,669	29,020	13 4		
7	1980-(1923-24)	112 24 0	37 0 2	19 39 2	55 24 12	15 7 8	15 7 8	3 7 9	9 0 4	20,069	1 7	13,094	33,163	1 7	
8	1981-(1924-25)	116 30 0	29 33 0	17 7 4	69 29 11 1	14 6 5	14 6 5	3 7 9	9 15 7	22,824	8 10	13,950	41,774	8 10	
9	1982-(1925-26)	111 9 0	26 17 8	15 17 13	69 14 6 1	14 4 9	14 4 9	3 7 9	10 3 3	28,307 7 3	15 146	43,433	7 3		
10	1983-(1926-27)	110 7 0	23 31 12	10 5 0	63 5 4	16 3 1	16 3 1	3 7 9	8 4 11	21,974 13 10	15,910	37,914	13 10		

(1) During Samvat 1971, 1975 retail traders were allowed to purchase opium from any wholesale dealer they liked at a rate settled between them.
 (2) Intermediate cultivators were allowed to retain 10% in 1975.

Statement of Opium cases with detail. (Appendix No. VII, Column 7.)

Samvat Year and A. D.	Cases against licensed Cultivators.		Cases against wholesale Dealers.		Cases against retail Vendors.		Cases against other Persons.		Total.	
	No. of cases.	Confiscations and fines.	No. of cases.	Confiscations and fines.	No. of cases.	Confiscations and fines.	No. of cases.	Confiscations and fines.	No. of cases.	Confiscations and fines.
1	2	3	4	5	6	7	8	9	10	11
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
82 (1925-26)	28	227 0 9	4	1,144 5 3	2	14 4 3	20	807 11 3	54	2,193 5 6
3 (1926-27)	22	£37 2 3	3	...	8	96 7 0	27	1,358 5 3	60	1,721 14 6

Note regarding the estimated loss that would be incurred if opium production were abandoned in the Kotah State.

The references in this Note are to the printed "Note on Opium, Kotah State".

The printed Note estimates the total loss to the State if poppy cultivation were abandoned at Rs. 18,02,137 annually (page 22). This figure represents the total money value estimated to accrue to all persons concerned in the opium industry of the State, and to the State in the form of taxation.

It is evident that the total money value accruing from the industry to the State cannot exceed the total value of the opium and bye-products actually produced in a year together with the value of the export taxes paid to the State by exporters. The items in the total value are thus as follows:—

1. Value of the manufactured opium.
2. Value of the poppy seeds.
3. Value of the poppy heads and leaves.
4. Export duty on manufactured opium.
5. Export duty on poppy seeds and oil.

Item 1 may be estimated as the value, at the very high average rate of Rs. 16 per seer (page 19) of the hard opium annually produced. The outturn of crude opium in the last 5 years (Appendix I) has averaged 2,565 maunds, representing at 28 seers of hard opium to one maund of crude opium (Statement on page 19) 1,795 maunds of hard opium. The value of this at an average rate of Rs. 16 per seer is Rs. 11,48,800.

The value of items 2 and 3 may be estimated at Rs. 25-8 per bigha cultivated (Statement on page 10) on an average cultivation in the last 5 years of 8,487 acres or 21,217 local bighas (Appendix I). It is thus Rs. 5,41,035.

Item 4 has averaged in the last five years Rs. 29,713 (Appendix IV).

Item 5 has averaged Rs. 11,452 (columns 5 and 6 of Appendix VI).

The gross annual profit accruing to the State is thus as follows:—

	Rs.
Item 1	11,48,800
„ 2 }	5,41,035
„ 3 }	29,713
„ 4	11,452
„ 5	
	<hr/>
TOTAL	<hr/>
	17,31,000

This, then, is the total value produced by cultivating poppy in an average area of 8,487 acres of land and by the investment by merchants of a capital estimated at nearly Rs. 37 lakhs (Appendix X). But this annual profit would be wholly lost to the State only if, as a result of stopping poppy cultivation, the whole of the land previously under poppy were to remain uncultivated and the whole capital of Rs. 37 lakhs were to be destroyed or to remain infructuous. Evidently this would not be the case. The land would produce other crops and the capital would be used to finance those crops; and if (as is probable) the substitute crops did not require so much capital as is needed for the opium trade, the surplus capital would be turned to other productive uses or invested in securities producing an annual interest.

To estimate, therefore, the real loss to the State due to the discontinuance of poppy cultivation it would be necessary to calculate the total value of the substitute crops grown on the land, the export duties realized on these crops, and the realizations from the capital set free, and to subtract the total of all these items from the total of Rs. 17,31,000 given above. The difference between the two totals would show the real loss to the State.

Any such calculation would be extremely difficult and its results very hypothetical. It is, however, evident that the loss to the State could not be anything like so much as Rs. 18 or 17 lakhs.

2. In estimating the profits of merchants in Kotah City from the opium trade, interest is calculated in item 8 of the Statement on page 19 at 9 per cent. for one year. But the present stocks in the hands of merchants are enough for nearly $3\frac{1}{2}$ years' demand of the present export trade. Evidently therefore every maund of opium juice purchased from mofussil dealers must remain with the merchant, on an average, for $3\frac{1}{2}$ years before it is exported. The interest should therefore be calculated as the interest on Rs. 300 at 9 per cent. for $3\frac{1}{2}$ years, i.e., at Rs. 97-8 instead of Rs. 30. This would diminish the profit to the dealer (item 16) from Rs. 93-5-3 to Rs. 25-13-3 and the total profits (item 17) from Rs. 2,33,320-5-0 to Rs. 64,570-5-0.

It seems reasonable also that the wholesale dealers' license fees, amounting to Rs. 5,950 (column 2 of Appendix VI) should be deducted from the total profits, which would thus be reduced to Rs. 58,620-5-0.

3. The annual loss to the State of land revenue, if poppy cultivation were abandoned, is estimated in Appendix III at Rs. 2,12,727-8-0. It is assumed that $\frac{1}{3}$ of the total irrigated area in the State would revert to dry crop, necessitating a reduction of Rs. 9 per acre, and that the remaining $\frac{2}{3}$, while remaining irrigated, would have to receive a reduction in the irrigated rate of Rs. 2-8 per acre. The figure of Rs. 2-8 is based on an estimate made by Sir Montague Butler 20 years ago when the 2nd Settlement was in progress, and reproduced on page 24.

The third Settlement is now, however, being carried out. The State falls, as regards poppy cultivation, into three divisions, the

first comprising Nizamats in which poppy cultivation has ceased altogether since the China trade came to an end (i.e., since the date of the 2nd Settlement), the second those in which it has partially ceased and the third those in which it is still going on. It seems, therefore, that a comparison of the actual rates and irrigated areas in Division I under the 2nd and 3rd Settlements will give a more reliable indication of the effect of abandoning poppy cultivation than the forecast made at the time of the 2nd Settlement. In this division, in the 4 Nizamats for which the 3rd Settlement is completed, the irrigated area has decreased since the 2nd Settlement by 1,924 bighas or 20 per cent. The irrigation revenue under the old Settlement was Rs. 41,518 from 9,441 bighas, giving an average of Rs. 4-6-4 per bigha; under the new it is Rs. 31,551 from 7,517 bighas, an average of Rs. 4-3-2 per bigha. The average reduction in irrigated assessment is thus only 3 as. 2 pies per bigha, or 7 as. 11 pies per acre.

If these results are taken as a standard, the effect of discontinuing poppy cultivation in the other two divisions can then be calculated.

In the 2nd division (where poppy cultivation has partially ceased) the irrigated area has decreased by 2,818 bighas or 11 per cent. since the 2nd Settlement. Assuming that under total prohibition of poppy it would decrease to 20 per cent. (as in division I) the extra area lost to irrigation would be 2,162 bighas, leaving 20,821 bighas still irrigated.

The rent on irrigated land in division II was Rs. 1,09,973 on 24,898 bighas, or Rs. 4-6-8 per bigha, under the 2nd Settlement. Under the third it is Rs. 97,467 on 22,981 bighas or Rs. 4-3-10 per bigha. The actual reduction has therefore been 2 as. 10 pies per bigha, or 4 pies less per bigha than the reduction in division I. Assuming therefore, as a result of prohibiting poppy, a further reduction of 4 pies per bigha on 20,821 bighas, the loss will be Rs. 434.

On the area of 2,162 bighas lost to irrigation in division II, as a result of prohibiting poppy, the decrease in assessment will be from Rs. 4-3-10, the present average irrigated rate in this division, to Rs. 3-2-1, the present average dry rate. (The total revenue is Rs. 8,95,829 from 2,86,280 bighas of unirrigated land.) The loss is thus Rs. 1-1-9 per bigha or Rs. 2,398 on 2,162 bighas.

In the third division, where cultivation continues in full, the irrigated area has increased from 72,108 bighas to 74,893 bighas, or by 3-8 per cent. Assuming that, as a result of prohibiting poppy, it would decrease by 20 per cent. to 57,686 bighas, the total decrease would be 74,893—57,686 or 17,207 bighas.

The rent on irrigated land in division III was Rs. 3,44,546 on 72,108 bighas, or Rs. 4-12-5 per bigha, under the 2nd Settlement. Under the third it is Rs. 3,49,924 on 74,893 bighas, or Rs. 4-10-9 per bigha. It has thus decreased by 1 anna 8 pies per bigha, or

1 anna 6 pies less than the decrease in division I. Assuming, therefore, a further reduction of 1 anna 8 pies per bigha on 57,686 bighas, the loss will be *Rs. 6,009*.

On the area of 17,207 bighas lost to irrigation in division III, the decrease in assessment will be from *Rs. 4-10-9*, the present average irrigated rate in this division, to *Rs. 2-6-2*, the present average dry rate. (The total revenue is *Rs. 10,03,877* from 4,21,206 bighas of dry land.) The loss is thus *Rs. 2-4-7* per bigha or *Rs. 39,240*, on 17,207 bighas.

The total loss of land revenue would thus be:—

	Rs.
Division II	434
	{ 2,398
Division III	6,009
	39,240
TOTAL	48,081

The Darbar's revenue from export duty on opium, etc., has been as follows, on the average of the last 5 years:—

	Rs.
Export duty on opium (Appendix V)	29,713
Wholesale dealers' fees (Appendix VI)	6,840
Import duty (Appendix VI)	732
Export duty on poppy seeds and oil (Appendix VI)	11,452
Confiscation and fines (Appendix VI)	6,316
TOTAL	55,053

The total immediate loss to the Darbar's revenues would thus be *Rs. 1,03,134* representing 2.4 of the total State revenue of *Rs. 43,68,154*. But some of this loss would probably be made good by export duties on cotton or other produce grown in lands previously cultivated with poppy.

Note on the Agricultural Figures supplied by the Kotah Darbar.

Very detailed figures under this head are supplied in the printed Note on page 10. Details are given of the outturn from a bigha ($2\frac{1}{2}$ bighas = 1 acre) of opium and its subsidiary crops. The general procedure is to grow maize in *kharif* and follow on with poppy in *rabi*. Along with the poppy are subsidiary crops chiefly "umbelliferae" and various vegetables. This cultivation is generally on fertile land well cultivated and irrigated by wells which generally dry up about the month of April. Thus in most cases cultivation of ordinary varieties of sugarcane is not possible.

The corresponding statement on which the Darbar bases the loss to the cultivator is given on page 12. Here maize is also grown in *kharif* and wheat is sown as the crop in *rabi*. This comparison

is open to several criticisms. First on this class of land the maize-wheat rotation would never be carried out from year to year. In actual practice a large number of irrigated crops would be sown instead and the cultivator would keep the land under a constant succession of crops. These crops include *mirach*, *ground nut*, *cucurbitaceae* of various species, *bhindi*, *brinjal*, *potatoes*, *garlic* (frequently two crops of *garlic* are taken in one season), *zira*, *dhania*, *sonf* and various vegetables of the relish order with a little *tobacco* and miscellaneous crops as *palak*, *rajgira*, etc.

To give a full comparison these figures would have to be worked out. The contention is put forward by the Darbar that poppy cultivation has a manurial effect and by its growth the fertility of the land is increased. This cannot be borne out either by practice or theory. Beyond the intensive cultivation and the return to the soil of a little humus the land is not benefited by this crop. On the contrary the export of poppy seed takes away from the soil all the valuable manuring constituent—viz., nitrates, phosphates and potash.

The growth of some of the many leguminous crops would on the contrary help in the maintenance of fertility. The contention of the Darbar is that when opium is grown maize gives a return of $22\frac{1}{2}$ maunds of seed maize per acre, whereas if no poppy is grown, the same land under similar conditions only gives $7\frac{1}{2}$ maunds per acre—pages 10 and 12.

Other figures were supplied showing the profit and loss to the cultivator holding 50 bighas. A similar statement was supplied showing profit and loss of a cultivator cultivating $44\frac{1}{2}$ bighas without poppy. In the latter case *zira* is substituted for the maize and the poppy, etc. No *kharif* crop is sown and consequently the figures are considerably reduced in the latter case.

As in the case of similar opium producing States the cultivator will undoubtedly suffer a considerable economic loss if poppy cultivation is prohibited. This loss will extend over several years or until such time as he can settle down to the growth of other suitable crops. He will have difficulty in getting seed and in the technique of the new crops and he will probably have marketing difficulties. These difficulties in many cases are considerably increased by the fact of the heavy internal customs duties. In Kotah State the duty on *kappas* amounts to the very heavy sum of Rs. 1-4 per maund. It is very difficult to estimate the amount of this economic loss in rupees per acre as it varies considerably from village to village and tract to tract.

Copy of a demi-official letter No. 43, dated the 15th March 1928, from the Member, Mehmakhas, Kotah State, Kotah, to the President, Opium Committee, Indore.

I acknowledge the receipt of your Demi-official letter No. 348-58-O/Com., dated the 29th ultimo, with which you have sent me Mr. Henderson's Note on poppy cultivation in the producing States

of Rajputana and Central India. The position of poppy cultivation in Kotah State is a peculiar one, as has been sufficiently explained in its various aspects in our printed note which was fully discussed with the President and Members of the Opium Committee at Kotah on 11th to 14th February 1928. There now remains little to add to it. Our supplementary note herewith appended deals with the Committee's criticism of our facts and figures. Appendices II and II-A thoroughly indicate the agricultural position with regard to opium.

The division 3rd I mean, the Malwa portion of the State is our real poppy zone where cultivation is freely permitted.

Mr. Henderson in his proposed note says that "The poppy cultivation is now generally restricted to the best class of irrigated land". Undoubtedly in division III poppy is by rotation cultivated in all irrigated lands. But such irrigated land is not necessarily the best irrigated land in our State. As a matter of fact we generally grow our poppy in Kotah in a light soil with a mixture of Kankar and sand. In the event of poppy cultivation being prohibited other crops could of course be raised on the same land but they would not pay as much as poppy does. In fact, for reasons mentioned in the printed note and the additional note herewith enclosed as rejoinder to the Committee's criticisms, no other crops could possibly compare with poppy. Mr. Henderson himself admits that "*the loss to cultivator is a very real one* but very difficult to put into general terms over the whole tract". This being so the question naturally arises how far this real loss can be estimated with any approach to accuracy.

This has been attempted for the Kotah State and the methods adopted are practically the best possible in the circumstances to insure fairly correct results and at the same time least open to reasonable objections.

After all is said and done and inspite of all arguments to the contrary the patent fact remains that the loss of agriculturists in Kotah if poppy cultivation is stopped or substantially reduced, cannot really be made up, in other words it will be a dead loss. Whether and how far it may be practicable to ascertain the exact value of such loss in terms of money is a different question.

Rejoinder to the note by the Opium Committee regarding the estimated loss that would be incurred if poppy production were abandoned in the Kotah State.

1. The Committee work out the gross annual profit to the State from the poppy industry at Rs. 17,31,000 on the proposition that the "Total money value accruing from the industry to the State cannot exceed the total value of the opium and bye-products actually produced in a year together with the value of the export taxes paid to the State by exporters. It would reasonably be conceded that this assertion would not be correct without including in the

total the value of the supplementary crops like Zira, Dhania, etc., grown along with poppy in the same field and which could not be grown with any other main crop, together with the amount of export taxes paid to the State and also the estimated money value of the manurial effects of poppy cultivation. If this is done, the figures of the gross profit would come up to Rs. 23,08,825 and not Rs. 17,31,000 as worked out by Mr. Pope (*vide* page 2 of his note). The calculations which lead to this result are detailed as follows:— Items I to IV are taken from Mr. Pope's note but in addition to this the following items V to VII must be included, if the total loss is to be estimated with any approach to accuracy:—

	Rs.
I. Value of the manufactured opium. Average outturn of crude opium in the last five years is 1,02,614 seers which calculated at 28 seers of hard opium to one maund of crude opium represent 71,830 seers of hard opium. The value of this at an average rate of Rs. 16 per seer is	11,49,280
II. Value of poppy seeds, heads and leaves at Rs. 25.8 per Bigha on an average cultivation in the last five years of 8,487.3 acres or 21,218 Bighas is equal to	5,41,054
III. Export duty on manufactured opium is	29,713.
IV. Export duty on poppy seeds and oil is	11,452.
	<u>TOTAL</u>
	<u>17,31,504.</u>
V. Money value of the manurial effects of poppy—	
(a) Maize when grown after opium gives an outturn of 9 maunds per Bigha whereas, when grown after wheat, etc., it yields only three maunds (<i>vide</i> page 12 printed note on opium in Kotah State). This difference of six maunds per Bigha comes to 1,27,308 maunds for 21,218 Bighas under poppy. At Rs. 40 per 12 maunds the value is	4,24,360.
(b) The value of fodder (Makka stalks) is with opium Rs. 2 per Bigha and without opium Re. 1 per Bigha (<i>vide</i> pages 10 and 12 of the printed note) the difference of Re. 1 per Bigha works out for 21,218 Bighas at	21,218.
(c) If opium production stops, Maize outturn would fall automatically as stated above. The exports of Makka will thus diminish. On five years average this reduction will come to 9,590 maunds. Export duty at annas 5 per maund would be	2,997
VI. Value of supplementary crops sown along with poppy—	
(a) Value of Zira, Dhania, etc., @ Rs. 5 per Bigha (<i>vide</i> page 10 of the printed note) for 21,218 Bighas	1,06,090
(b) Export duty on above (approximate)	1,016.
VII. Revenue from Octroi (Rs. 12,039) plus Mapa (Rs. 8,239) on an average of 5 years	20,278
	Total
	<u>5,75,959.</u>
	Grand Total
	<u>23,07,463.</u>

It would thus appear that the prohibition of poppy cultivation would mean a loss of Rs. 23,07,463 to the State and its people.

The Committee further argue, and rightly so far as their own method of calculating the losses is concerned, that this annual profit would be wholly lost to the State only if as a result of discontinuing poppy cultivation the whole of the land previously under poppy were to remain uncultivated and the whole capital financing the poppy trade were to be destroyed or to remain idle. As this would evidently not be the case, the whole loss to the State cannot be as much as Rs. 17 or 18 lakhs. The Darbar invite the attention of the Committee to the fact that in the method adopted by us of finding out the total losses, the values of the most likely substitute crops have been taken into account (*vide* pages 9 to 13 of the printed note) and this is why their net losses come to Rs. 18,02,137 only, and not Rs. 23,08,825 which would be the amount of the loss if Mr. Pope's plan is worked out to its logical conclusion.

As regards the question of realisations from the diversion of capital invested at present in the opium trade to other channels, the attention of the Committee is invited to the high return on investments in the poppy trade which can be readily understood from the following calculations:—

The cost incurred is Rs. 354-10-9 per maund of opium (*vide* printed note, page 19) and the average outturn of crude opium in the last five years is 2,565 maunds 14 seers. Thus the capital required in Kotah City in a year may be taken at Rs. 9,09,858 (Rs. 354-10-9 per maund \times 2,564 maunds 14 seers).

The average export of opium in the last five years is 1,748 maunds and the sale to retail dealers for local consumption amounts to 63 maunds 12 seers, the total sales thus amounting to 1,811 maunds 12 seers. The value of this at Rs. 16 per seer is Rs. 11,59,232. Thus Rs. 2,49,374, i.e., (Rs. 11,59,232 minus Rs. 9,09,858) represents the return on an annual investment of about 9 lakhs in addition to 9 per cent. interest already included in the cost per maund (*vide* page 19 of the printed note). In the Darbar's calculations of loss to the State, the interest on the capital invested has already been taken at as high a figure as 9 per cent. (*vide* page 19 of the printed note). As no securities are available in the Kotah market for investment which would give 9 per cent. interest, and looking to the general conditions of trade in Kotah, there is hardly the possibility of any other trade giving more than this, the question of deducting realisations from the capital likely to be set free does not arise. It would thus appear that the estimated loss of Rs. 18 lakhs to the State is fairly accurate.

The merchants' capital (Appendix X of the printed note) is Rs. 28 lakhs only (total of Columns 4, 5 and 6) and not Rs. 37 lakhs as stated in Mr. Pope's note, apparently through an oversight. Moreover, this represents the capital of old stocks which would be set free when stocks are cleared. The capital necessary for current trade and annual investments amounts only to about Rs. 9 lakhs as indicated above.

2. In paragraph 2 of their note, the Committee in estimating the profits of merchants calculate interest on Rs. 300 at 9 per cent. for three and a half years on the assumption that the present stocks in the hand of the merchants being enough for nearly $3\frac{1}{2}$ years, every maund of opium juice must remain with the merchants for this period. To this, our reply is that all opium produced annually at present has a market. Leaving the question of old stocks to be dealt with later, there are now no new stocks in hand and consequently, no loss of interest just at present, nor is there likelihood of a loss in the near future. The item of profit Rs. 2,33,320 (page 19 of the printed note) would not thus admit of any alteration on account of interest charges. The item of Rs. 5,950 representing the whole-sale dealer license fee should certainly be deducted as pointed out by the Committee. It is regretted that this was not done in our previous calculations.

As to the existence of old stocks, the Darbar are sure and the Committee will agree that they are mainly the result of the Government's Policy with respect to poppy trade. They confidently hope, Government would be pleased to find a market for them at a very early date. While undoubtedly the capital locked up in these stocks is incurring the interest charges of the trade year by year, at the same time, the quality and value of opium continues improving as it gets older. So long as Marwar trade is open to Kotah merchants, there is hardly any fear of an adverse effect on or loss to the Kotah opium industry.

The traders profit has been shown on page 21 of the printed note at Rs. 4,10,101-9-0 on the basis of Samvat 1983 figures. The Committee has however based its calculations on the average of the last five years. Adopting this basis, the average production of juice comes to:—

	Rs.
(a) Profit to petty dealers (<i>vide</i> page 18 of the printed note) at Rs. 12-12-9 per maund for 2,565 maunds 14 seers	32,828
(b) Profits to Kotah city dealers (<i>vide</i> page 19 of the printed note) at Rs. 93-5-3 per maund for 2,565 maunds 14 seers	2,39,419
(c) Profits to brokers, labourers, etc. (<i>vide</i> pages 18 to 21 of the printed note)	1,48,574
Rs. 48-8-6 \times 2,565 maunds 14 seers is equal to	1,24,500
30 seers manufactured opium at 28 seers per maund of juice is equal to	24,074
	<hr/>
Total	4,20,821
<i>Deduct</i> license fee (Column 3, Appendix VI)	5,950
	<hr/>
Net Profit	4,14,871

In addition to this, a fairly good return is obtained from the sale of poppy seed and oil also.

3. In estimating the loss of land revenue, it was assumed that $\frac{1}{3}$ of the total irrigated area would revert to dry crop necessitating a reduction of Rs. 9 per acre and that the remaining $\frac{2}{3}$, while classed as irrigated, would have to receive a reduction in the irrigated rate of Rs. 2-8 per acre as estimated 20 years ago when the second settlement was in progress. The Committee state in paragraph 3 of their note that a comparison of the actual rates and irrigated areas in Division I under the second and third settlements would give a more reliable indication of the effects of abandoning poppy cultivation than the forecast made at the time of the second settlement. Adopting this basis and assuming 20 per cent. as the standard rate of reduction in the irrigated area and As. 3-2 as the average rate of reduction per Bigha in the irrigated assessment, they have calculated the Darbar's loss in land revenue for the whole State at Rs. 48,081. This figure needs revision as it is far from being correct due to errors some of which are indicated here. For instance, in Division second Rs. 3-2-1 is the present average dry rate per acre and not per *bigha* as calculated by the President. Similarly, 286,280 is the area in acres of unirrigated land in Division second and not in bighas as shown in the Committee's note. In division third, the fall in irrigated area at 20 per cent. would be 14,979 bighas and not 17,207 bighas. Then again Rs. 2-6-2 is the dry rate per acre and not per bigha as wrongly supposed. 421,206 are acres, and not bighas and so forth.

The Darbar much regret they cannot see eye to eye with the Committee in this matter also. Division first, it should be noted, comprises of six Nizamats of which Kishanganj and Shahabad still remain to be assessed. In Barod, the decline in the irrigated area has been 32 per cent., in Digod 33 per cent. and in Itawa 37 per cent. Kanwas, of course, shows a decline of 7 per cent. only due to peculiar characteristics of the Nizamat. Leaving therefore Kanwas, the reduction in the three Nizamats comes to 34 per cent. which is the Darbar's Standard for working out their probable losses.

As for reduction in the irrigated assessment it is true that in the four Nizamats of Division first the average reduction has been only As. 3-2 and not Re. 1 as assumed by the Durbar. This is however due to the fact that the irrigated area in these Nizamats as compared with the unirrigated is very much less, for instance, 6 in Barod, 1 per cent. in Digod, 5 per cent. in Itawa and 4 per cent. in Kanwas. The dry lands in these Nizamats are very fertile and the cultivators easily pay up their higher rate on the wet lands from the outturn of their dry fertile lands. In view of this fact, the rate for irrigated areas has not been reduced by Re. 1 per bigha in these Nizamats. On the other hand conditions in divisions second and third, where poppy is cultivated, are quite different. In division third the irrigated area is 7 per cent. of the total cultivated area and poppy alone pays 73 per cent. of the land revenue. The dry lands in these two divisions mainly consist of jungly, rocky and poor tracts liable to ravages by wild beasts.

Here, the irrigated area alone is the mainstay of cultivators and enables them to pay up their revenue; and it is due to poppy cultivation alone that the high assessment rates of Rs. 5, 5-8-0, 6-0-0, and even 6-8-0 per bigha can be applied, and sustained. (The average rate being Rs. 4-10-9 due to most of the newly irrigated area paying lower concession rates.) The discontinuance of poppy cultivation in these divisions would necessitate in many places a reduction in rent at the rate of even more than a rupee varying according to local conditions, a fact which can be appreciated only by those conversant with settlement work. If the Committee had kindly taken the trouble of making a personal inspection of our lands in Mofussil, Division III in particular, the Darbar are certain, they would have accepted the estimate of loss made by Sir Montagu Butler 20 years ago and which holds good even at the present day. For these reasons, the Darbar trust, the Committee would not regard the figure of Rs. 2,12,727-8-0 (Appendix III of the printed note) as unreasonable.

The Darbar's revenue from export duty on opium, etc., has been on the average of the last 5 years Rs. 55,053. To this figure should be added Rs. 20,274 the last five years' average receipts from Octroi and Mapa. The total loss to the Darbar from the revenue point of view would thus come to Rs. 2,88,054-8-0 (Rs. 2,12,727-8 plus Rs. 55,053 plus Rs. 20,274). On page 22 of the printed note Rs. 2,97,851 has been shown as loss. The reason of this trivial difference (of Rs. 9,802-8-0) is that in the printed note some revenue figures for Samvat 1983 (1926-27) were taken, while the present figures are based on an average of past five years.

The Committee have observed that some of the losses to the State could probably be made good by export duties on cotton and other produce grown in lands previously cultivated with poppy. The Darbar think, that the income from this source, if any, would be inappreciable.

Adding up all the figures in this note and including those representing losses from the point of view of cultivators and labourers (items 1 and 2, page 22 of the printed note) the total loss to the State would be Rs. 17,97,111 as detailed below:—

	Rs. A. P.
1. Loss from cultivators point of view	7,36,678 0 0
2. Loss from labourers point of view	3,57,508 0 0
3. Loss to the State from Revenue point of view	2,88,054 8 0
4. Loss to traders	4,14,871 0 0
Total	17,97,111 8 0

Without allowing the loss from the discontinuance of poppy cultivation being replaced by Zira, Dhania, etc., the loss would be Rs. 23 lakhs. But deducting these, it (the net loss) would come to Rs. 17,97,111.

Rejoinder to the Note by the Agricultural Expert on the Opium Committee on the Agricultural figures supplied by the Kotah Darbar.

Mr. Henderson, the Agricultural expert on the Committee in his note on the Agricultural figures supplied by the Kotah Darbar, while agreeing that "the cultivator will undoubtedly suffer a considerable loss for several years, if poppy cultivation is prohibited," has criticised certain statements in the Darbar's note. His first point is that "The Maize-Wheat rotation would never be carried out from year to year and that in actual practice a large number of irrigated crops such as Mirach, Groundnut, etc., would be sown instead". He further says that "In order to arrive at a fairly correct estimate of the loss to cultivators, figures for all these crops (Mirach, Groundnut, Bhindi, etc.) would have to be worked out." Sugarcane cultivation, as Mr. Henderson himself agrees, is not possible in most cases here. As to the other crops named by him, Cucurbitariae of various species, Brinjal, Palak, etc., are not grown in our State except by certain castes and these being liable to speedy decay, cannot be grown on a large scale as substitutes for poppy, owing also to marketing difficulties. Mirach is grown by Malis and Kachis and that only on well manured soil provided with good natural drainage and so cannot be cultivated on an extensive scale. Tobacco does not suit the soil. Groundnut cannot replace poppy on account of the ravages of wild animals, which abound in the tract where poppy is mostly grown. Zira, Dhania and Sonf are good crops but cannot be grown every year on the same land and do not pay as much as Maize-poppy does. Moreover, nearly all of these are single crops and can in no way compare with Maize-poppy.

Maize-wheat rotation is actually practised not only in Kotah State but in the United Provinces also (*vide* Moreland's "The Agriculture of the United Provinces" (1912), page 209, where the author says "The practice of sowing wheat after Maize appears to be spreading") and this is the rotation that has been mostly adopted in those Nizamats here, where poppy cultivation has already ceased. Some figures for Zira, Groundnut and Cotton have been given in the statement of a cultivator holding 44½ bighas. An attempt to work out figures for all possible crops likely to suit the various tracts in the State is well-nigh an impossibility and even if obtained their value for deducing any sound conclusions will be problematic. For these reasons, the Maize-wheat rotation was chosen as the basis for comparing cultivator's losses, and in the opinion of the Darbar, this is the only satisfactory method of forming a fairly accurate idea of what the abolition of poppy means to our farmers.

Mr. Henderson's next criticism is that poppy cultivation has no manurial effect and by its growth the fertility of the land is not increased. On this point the Darbar would content themselves with the observation that the experience of all cultivators and in

fact, of everybody who has had anything to do with agriculture in Kotah is that the outturn of Maize in the same field after poppy is invariably much higher than that obtained when grown after wheat, etc. This may be due to intensive cultivation and the return to the soil of a little humus as stated by Mr. Henderson which by the way are by themselves not unimportant factors or there may be some special property in the poppy plant itself not yet discovered by science, which helps towards the increase of fertility in the soil. Mr. Henderson further contends that if anything, the export of poppy-seed takes away from the soil all the valuable manurial constituents. This is probably correct and the Darbar consider that the export of oilseed, linseed, til, cotton, etc., probably means loss to the soil of manurial ingredients in some shape or other, but when poppy cultivation enjoys the reputation, and has the actual effect of adding more to and taking less from the soil, the Darbar regard the manurial loss due to export in this case as almost a negligible quantity.

A mention is made in Mr. Henderson's Note that "Growth of some of the many leguminous crops would help in the maintenance of fertility." This is rather a broad statement whose correctness can hardly be disputed. But the crux of the whole question is what particular crop can replace poppy? In the Darbar's opinion as explained in their detailed note, there seems at present no proper substitute for poppy.

Zira being generally a single crop, no Maize is sown in Kharif and this is why, in the statement showing profit and loss of a cultivator holding 44½ bighas and not growing poppy, no Kharif crop was included.

Copy of paragraphs 1 to 5 of demi-official letter No. 498-O/Com., dated the 24th March 1928, from the President, Opium Committee, to the Committee Member representing the Kotah State, Kotah.

I am obliged for your demi-official letter No. 43, of 15th March 1928 and the two "Rejoinders" which accompany it. I am afraid it is clear that we, as the Committee for the Kotah State including of course yourself, cannot arrive at any agreed conclusion regarding either the agricultural aspect of our inquiry or the losses which would be incurred in the State if opium production were abandoned. In the circumstances you will probably agree that no useful purpose will be served by continuing a paper discussion which might be prolonged indefinitely. I wish, however, to acknowledge the very thorough manner in which the arguments advanced in my Note and Mr. Henderson's Note have been considered in your two "Rejoinders" and to indicate very briefly the reason why we cannot accept the "Rejoinders" since, after so much trouble has been taken, it might seem discourteous to dismiss the arguments that you advance with a bare statement of disagreement.

2. In the Rejoinder to my Note it is claimed that I have omitted from my calculation the value of subsidiary crops. That is true, but it does not affect the argument since we do not consider that the poppy gives any extra value to the subsidiary crops or the crops grown in rotation with it. The belief that this is the case is based on scientific knowledge, tested of course by practical experiment. That belief may not be shared by cultivators in the Kotah State, but agricultural progress is in the main a process of overcoming by accurate scientific knowledge the cultivator's ignorance and prejudice; and it does not seem probable that in this case the cultivator is right and the scientific agriculturist wrong.

3. It is true that the Darbar's calculations admit to some extent—although in our view they greatly minimize—the value of the substitute crops. But they allow nothing in replacement of the values lost to the labourer, the petty dealer, the trader and all other persons to whom the opium trade is a source of profit. They assume, in fact, that these values are lost for good, and they make no account of the alternative source of profit which would accrue to all the persons engaged in handling and marketing the alternative crops that would be grown where the poppy is now grown. This vital defect appears to deprive the Darbar's calculations of all real value. The losses estimated are (except in the case of the cultivator himself) gross losses and not net losses.

4. It is claimed that the existence of the old stocks is "mainly the result of the Government's policy". It is difficult to understand this claim, since so far as is known there has been no interference by Government in the Kotah opium trade in the last 14 years except in the shape of advice to restrict cultivation. That the trade, left to itself for 14 years, now carries stocks equal to $3\frac{1}{2}$ years' requirements, seems to be the fault of the trade and of no outside influence. Consequently it seems fair, in estimating the profits of the trade at the present time, to allow for the fact that the merchants engaged in it are carrying $3\frac{1}{2}$ years' stocks and cannot, *on an average*, sell the opium of any given season until $3\frac{1}{2}$ years' later. In other words, the profits of the trade are reduced by the holding up of capital for $3\frac{1}{2}$ years, *i.e.*, by the interest charges on the capital for that period.

5. I regret that the assessment calculations in my Note are vitiated by the fact that certain figures of area were read as bighas when they should have been read as acres. The mistake arose from the fact that in the statements kindly supplied to me at Kotah the figures in columns 2, 3 and 4 are (as it now appears) figures of acres, although there is nothing in the statements to indicate this and the average rents worked out in the last 4 columns are worked out in bighas.

I am afraid that this question of the probable loss to the Darbar of land assessment must also be left undecided. The figure suggested by the Darbar of Rs. 2,12,727-8-0 as the probable loss of assessment is so large and (I may add) so much in excess of similar estimates made by other Darbars, that we feel unable to accept it

would further detailed discussion. It is impossible, unfortunately, for the Committee to pay another visit to Kotah for this purpose.

Copy of demi-official letter No. 47, dated the 10th April 1928, from the Committee Member, representing the Kotah State, Kotah, to the President, Opium Committee, Indore.

Many thanks for your demi-official letter No. 498-O/Com., dated the 24th March 1928. I am rather surprised to learn that the Committee do not yet see their way to appreciate the peculiar position of the Kotah State in the matter of opium cultivation and agree with my opinion both as regards the agricultural aspect of the question as well as the losses which would be incurred by the State if opium production were abandoned although there is sufficient material based on facts and figures in my note dated the 10th February 1928, and the two rejoinders forwarded with my letter No. 43, dated the 15th March 1928, to convince the Committee of our difficulties and losses. However I yet do hope that if the Committee would take the trouble of reconsidering the whole position in the light of the arguments advanced in the above mentioned documents in support of my contention, they will be able fully to appreciate the view point of the Darbar and will find no ground for disagreement.

I have considered carefully the reasons for your disagreement given in your letter under reference and I think it would not be out of place if I would also briefly touch them in the following lines:—

You admit that you have omitted from your calculation the value of subsidiary crops but you say that it does not affect the real question because in your opinion poppy does not give any extra value to the subsidiary crop or crops grown in rotation with it. This you continue is based on scientific knowledge tested by practical experiment.

The argument may seem true, yet it would be admitted that except poppy all other crops are single crops and would not bear another subsidiary crop to be grown with them as suggested by Mr. Henderson and I wonder if practical experiments have been made at a place like ours where climate is hot and where no market is at hand for such perishable product.

The value of all alternative crops that can possibly be grown where poppy is now grown, has been taken into consideration by the Darbar in their estimate of losses. But, if in your opinion or of that of the Committee there are yet other crops that can advantageously be substituted for poppy, I should be obliged if you would kindly suggest their names to the Darbar, and their value, if they really suited our local conditions. Could of course be gladly taken into account. It would however be unfair to say that this defect (if any) deprives the Darbar's calculation of all real value.

and to thus summarily dismiss the question without arriving at any definite conclusion.

The argument that there has been no real interference by Government in the opium trade in the last 14 years and that in the case of a trade left to itself for 14 years if it carries stocks equal to $3\frac{1}{2}$ years requirements the fault is of the trade itself and of no outside influence, however plausible may appear on the face of it, loses much of its force when it is observed that the control of all trade in the shape of export and import lies in the hands of the Government and that the opium trade said to be left to itself, has really been handicapped as explained in my note by the policy of the Government in the shaping of which the Kotah Darbar had no hand. As to the question of interest charges on capital I would like to refer you to paras. 1 and 2 of my rejoinder above referred to.

You further say that you are afraid that this question of probable loss to the Darbar of land assessments must also be left undecided. But I do not see any reason why this should be so left. The figures suggested by the Darbar may seem large and in excess of estimates made by other Darbars, but, are based on real calculation and are not imaginary. Kotah is a large opium producing State and as has repeatedly been pointed out poppy is one of the most important crops in the State. The probable loss of land assessments must therefore be large and even though it may be large in comparison with that of the loss of certain other States, not so vitally affected as the Kotah State is, it is yet a real loss and cannot be ignored.

As for any amendments to paras. I, III and IV, of the draft report received with your demi-official letter No. 283-O/Com., dated the 14th February 1928, I would invite your attention to my demi-official letter No. 38, dated the 14th February 1928, in which I expressed my inability to consider them piece-meal. However I have made no large amendments on these paragraphs and I now enclose for consideration and approval of the Committee a draft which in my opinion can be acceptable both to the Committee and the Darbar. I hope and trust the Committee will have now no cause of disagreement with my opinion and the draft herewith sent will meet with their approval if once our position is realised and the interests of the Darbar and those of the people under their charge are given the sympathetic and liberal consideration they deserve.

I regret the little delay in replying to your letter under reference which was due to other engagements in connection with the visits of Their Highness the Gaekwar of Baroda and the Maharaja Sahib, Bikaner.

REPORT FOR THE MEWAR STATE.

Mr. C. G. CHENEVIX TRENCH, I.C.S., Revenue and Settlement Officer, is the Committee Member representing the State.

The Mehakma Khas having forwarded to the President with their letter No. 835, dated the 14th December 1927, a Note regarding opium arrangements in Mewar, this has been discussed by the Committee and is placed on the record. The following unanimous conclusions are recorded by the Committee:—

I.—OLD STOCKS OF OPIUM.

The extent of old stocks in the possession of merchants and private persons in the State is not exactly known. The Darbar is taking steps to register these stocks and to issue licenses for possession and for wholesale and retail vend. Up to the present 4,440 chests of opium have been registered, and it is anticipated that when the registration is complete the total quantity of stocks will be found to be about 10,000 chests. It is probable that another year will be required to complete the process of registration and licensing.

The State has thus taken a very important initial step in the direction of securing control over the old stocks. It is, however, recognised that registration alone does not secure full control. The stocks remain in the hands of private persons, the quantities declared by the owners cannot be effectively checked, and illicit dealings although now liable to heavy penalties cannot by a system of registration alone be effectively prevented. The Committee has, therefore, discussed the possibility of bringing all stocks of opium in the State into a central warehouse, where they would remain under State supervision and control. In order to carry out such a scheme in its entirety it would be necessary to provide very large godown accommodation, a suitable establishment for testing, guarding, and issuing the opium, and (if the opium is to be purchased from the present holders) a very large capital outlay, which would amount at an average price of only Rs. 500 per chest to Rs. 50,00,000. The State is not able to embark upon this capital outlay, and it has, at present, no available storage accommodation.

After full discussion the following tentative scheme appears to the Committee to be the best that can be devised. The scheme presupposes that as a result of the enquiries of the Opium Committee it will be possible to secure for the old stocks of opium in Central India and Rajputana, by arrangement with the consuming States, a definite market and a system of export by State agency, without the intervention of wholesale dealers, from the stock-holding to the consuming States. It is hoped that the export market available for Mewar Opium could thus be increased from its present average of about 300 chests annually to about 1,000 chests annually.

It is suggested that the Mewar Darbar should make arrangements at the outset for storing in the State godown about 2,000 chests. These should be deposited in the godown by the owners, to whom the State would give receipts, and the owners would receive payment for the opium at the time of its export from the godown. The State would also be responsible for the watch and ward arrangements of the godown. The opium would be tested by an experienced officer on admission into the godown and the price payable to the owner would then be fixed according to the morphine content. The price charged to the consuming States on export of the opium would be sufficient to cover the initial cost price due to the owner, the cost to the Darbar of maintaining godown accommodation and staff, the cost of the testing officer and his establishment, and the cost of the issuing officer and his establishment. The Darbar would prohibit export of opium from the State by licensed wholesale dealers from the date when these arrangements came into force. The Darbar also agrees to reduce its export duty from Rs. 100 to Rs. 50 per chest, without prejudice to further discussion of this point when the scheme has been placed upon a more definite basis.

The Committee considers that if export were thus restricted to stocks in the godown it should be possible to secure the deposit of the necessary chests and the agreement of the owners to sell at a reasonable price. The ultimate object is, however, to secure the warehousing of all stocks in the State. The further steps necessary to secure this end can best be considered after the preliminary scheme has been put into operation. It is possible that the Darbar could insist upon all stocks in the State being deposited in its godown, but as owners would in this case often have to wait a long time before their stocks were sold it might be necessary to arrange for the purchase of the stocks at the time of admission into the godown.

II.—PRODUCTION OF OPIUM IN THE STATE.

The Darbar, recognising the importance of preventing additions to the accumulations of old stocks, has recently prohibited poppy cultivation in excess of an area of half a biswa per cultivator, equivalent to a plot of land 10 yards by 6. The sale of the opium so produced is prohibited under heavy penalties. The restriction of cultivation is already in force, but compliance with the Darbar's orders, although considerable, is not yet complete. It is hoped that compliance will be fully secured in the next season and it is certain that a great reduction has already been effected. The sole object of permitting half a biswa of cultivation is to avoid causing sudden loss to the cultivator of the oil and medicinal products of the poppy, which have been in household use for generations and for which, over large areas of the State, substitutes cannot immediately be found.

The State has derived no additional land revenue from poppy cultivation.

III.—FINAL ARRANGEMENTS FOR SUPPLY OF OPIUM FOR INTERNAL CONSUMPTION IN THE STATES OF CENTRAL INDIA AND RAJPUTANA.

The Darbar is not prepared at present to express an opinion regarding the feasibility of purchasing opium for internal consumption in the State from the Ghazipur Factory.

IV.—THE POSSIBILITY OF ENHANCING TAXATION UPON OPIUM AND THE PROBABLE FINANCIAL EFFECT OF THIS POLICY.

The State derives at present no revenue from duty on internal consumption and a trifling revenue only from vend fees. The Darbar is prepared to impose taxation in the shape of duty and license fees as soon as the old stocks have been placed under control, and to increase it by gradual degrees.

J. A. POPE, *President.*

C. G. CHENEVIX

TRENCH,

AZIZUDDIN AHMED,

G. S. HENDERSON,

} *Members.*

Dated Udaipur, the 21st December 1927.

Accompaniments to Mewar State Report.

Letter No. 835 of 1927, dated Udaipur, the 14th December 1927, from The Mehkme Khas, Mewar State, Udaipur, to J. A. Pope, Esq., I.C.S., President, Opium Committee, Camp Jaora.

With reference to your letter No. 2865-73-Exc., dated the 7th November 1927, we have the honour to send herewith a copy of the note (in triplicate) containing some information, with regard to the points mentioned in the terms of reference.

Further we write for your information that Mr. C. G. Chenevix Trench, I.C.S., Revenue and Settlement Officer of this State, has been appointed a representative on behalf of this State.

Question 1 (A). The measures that have been recently adopted for securing control over stocks of old opium are that all sale of crude opium by cultivators has been prohibited from the 1st July 1927, and the possession and sale of existing stocks of opium are regulated by licenses issued from the Excise Department. Each holder of opium whether for sale or not has to get his opium registered and in case of sale he is enjoined to keep regular and correct account of his stocks and sale, failing which he is held liable to imprisonment and fine.

835 Retail, 293 wholesale and 903 licenses for possession have already been issued from the 1st of July 1927, and the people are

still applying for the licenses and the stocks are still being registered and consequently it is not possible to say exactly the quantity of opium stocked by the people of Mewar, but, so far 7,771 Bengali Maunds or 4,440 chests of opium have been declared in the possession of the people, and 293 people have taken the license for wholesale.

The price of opium ranges between Rs. 550 to Rs. 600 per chest of 140 lbs.

The people of Mewar are given to poppy cultivation and stocking of opium from times immemorial and it has become a habit with them to hoard opium as precious metals. Under these circumstances it is not possible to say what is the age of the hoarded opium, but it is estimated that the age of opium in the possession of people range from 5 years to 20 years. The quality of opium is fairly good and resembles that of Malwa opium.

Question 2. Growth of poppy for sale of opium has been prohibited. We have now only our old stocks to live on and when they are exhausted, we shall either have to re-start poppy cultivation for our internal consumption, or come to terms with some other party, for example the Government of India, for getting our supply of opium from them. Our latest estimated area of poppy (1926 A. D.), is 2,000 acres approximately and our estimated average production per acre is 10 lbs. of dry opium. The financial and other benefits derived from opium production are as follows:—

(a) To the State. Income from Customs on export of opium average of last 25 years, Rs. 89,890 per annum. Income from license fees, impossible to estimate, at present about Rs. 3,000.

Peace and absence of agitation among the cultivating classes who are about 80 per cent. of the whole population.

(b) Benefit to cultivators. The value of the opium crop. Value of the oil for lubrication of well gear. Most important in Mewar, where over large tracts no other oil is available.

Value of seed for cooling and medicinal drinks, value of husks for liniments and poultices. Value of the spices and condiments, viz., coriander ajwan, Garlic, Jira, Sua, etc., sown with and in the shelter of the opium plants (very important). The opium leaves are also largely eaten as a vegetable.

Question 3. The answer is given above, as far as possible, against question (2).

In conclusion we should again urge that the disposal of old stocks be facilitated by the Government of India purchasing them. Otherwise, a generation will be required for their legitimate absorption, and the temptation to smuggle will be augmented by the rapid deterioration of existing stocks and the consequent desire of their owners to get rid of them.

Statement regarding opium in the Mewar State; from the year 1895-96 to the year 1926-27.

Serial No.	Year.	Area in acres under cultivation.	Produce in maunds.	Produce in chests.	Export in chests.	Amount of duty recovered	REMARKS.
1	1895-96.	55,000	8,650	4,912 $\frac{1}{2}$	3,944 $\frac{1}{2}$	2,36,670	Rs. 60 per chest.
2	1896-97.	58,000	9,500	5,428 $\frac{1}{2}$	2,790 $\frac{1}{2}$	1,67,430	
3	1897-98.	41,000	5,800	3,314 $\frac{1}{2}$	2,470	1,48,200	
4	1898-99.	17,000	2,100	1,200	3,378	2,02,680	
5	1899-1900	2,400	30	17 $\frac{1}{4}$	6,345	3,80,700	
6	1900-01.	22,900	4,100	2,342 $\frac{1}{2}$	3,228 $\frac{1}{2}$	1,93,650	
7	1901-02.	18,000	3,200	1,828 $\frac{1}{2}$	1,865	1,11,900	
8	1902-03.	28,800	5,900	3,371 $\frac{1}{4}$	2,139 $\frac{1}{2}$	1,28,370	
9	1903-04.	47,000	8,000	4,571 $\frac{1}{4}$	3,796	2,27,760	
10	1904-05.	44,000	4,000	2,285 $\frac{1}{2}$	4,143	2,48,580	
11	1905-06.	25,000	4,000	2,285 $\frac{1}{2}$	2,347 $\frac{1}{2}$	1,40,850	
12	1906-07.	35,000	6,000	3,428 $\frac{1}{2}$	1,880	1,12,800	
13	1907-08.	35,000	6,000	3,428 $\frac{1}{2}$	2,123 $\frac{1}{2}$	1,27,410	
14	1908-09.	20,000	4,000	2,285 $\frac{1}{2}$	2,533	1,51,380	
15	1909-10.	19,000	3,800	2,171 $\frac{1}{4}$	1,263	75,780	
16	1910-11.	26,900	4,100	2,342 $\frac{1}{2}$	1,211 $\frac{1}{4}$	1,82,536	
17	1911-12.	7,500	1,650	942 $\frac{1}{2}$	1,246 $\frac{1}{2}$	1,69,953	
18	1912-13.	5,000	900	...	770	46,394	
19	1913-14.	3,820	596	...	2,188	1,32,705	
20	1914-15.	2,092	393	...	112	7,277	
21	1915-16.	4,412	874	...	75 $\frac{1}{2}$	50,453	
22	1916-17.	973	66	...	407	24,432	
23	1917-18.	7,530	853	...	642 $\frac{1}{2}$	38,897	
24	1918-19.	6,610	834	...	198 $\frac{1}{2}$	1,18,461	
25	1919-20.	3,085	434	...	489	29,352	
26	1920-21.	8,164	652	...	730	43,988	
27	1921-22.	7,115	582	...	571 $\frac{1}{2}$	34,496	
28	1922-23.	5,273	530	...	250 $\frac{1}{2}$	26,555	
29	1923-24.	5,546	570	...	146	21,900	
30	1924-25.	2,136	275	...	240	26,025	
		69,306	8,209	...			
31	1925-26.	...	...	...	458	44,486	
32	1926-27.	...	...	...	360	35,234	
		...	...	...	54,956	36,88,501	

NOTE.—The total number of chests exported from the year 1902-03 to the year 1926-27 is 30,935 and the duty realised thereon is Rs. 22,47,241. The 25 years' average comes approximately to 1,237 $\frac{1}{2}$ chests and to Rs. 89,890 annually.

Terms of Reference.

(1) (a) Area of poppy cultivation is 2,000 acres, approximate estimate.

(b) On ordinary land irrigated from wells, irrigation required is rather more than needed for wheat, no special arrangements for poppy irrigation are made and the land is indifferently used for poppy one year, and for other crops the next.

(c) It fluctuates like any other crop. Not more. Not a delicate crop.

(d) See answer to question 2 in Note.

(e) Substitution is perfectly easy and has been already done over the vastly greater part of the old opium area. Cotton is the main substitute.

(2) (i) No special land revenue of any kind is derived from Poppy cultivation. Except in a small area, the land revenue is assumed not on the crop, but on the soil and irrigation facilities.

(b) At present no figure can be given. Up to date Rs. 3,000 from sale of licenses.

(c) See answer to question 2 of Note.

(d) See answer to question 2 of Note. Cannot be separately stated.

(e) *Nil.*

(ii) In 1926-27 about 1 per cent., but in the past very much more.

(iii) Before the 1st July 1927. Expenditure, on control of cultivation, *Nil*. Manufacture, *Nil*. Distribution, *Nil* or only for occasional action on part of Customs Officials.

(iv) *Nil.*

(v) *Nil.* There is no smuggling into this State.

(vi) See answer to question 1 (A) of Note, for price. As we do not buy opium the question of cost does not arise. Unless the old stocks are purchased by the Government of India, the price cannot be raised nor the finances of the State benefited.

(vii) Present sources of supply are old stocks, which will last us over one or two generations, if not bought by the Government of India.

(viii) Does not concern this State.

II. (i) Opium is eaten largely to revive fainting nature to relieve pain, soothe nervous trouble. It is extensively used for teething children. It is drunk on ceremonial occasions in the form of Kasumba, but this custom is dying out.

(ii) Ball opium alone is eaten.

(iii) It is not prepared at all, after it has become patherphor.

III. See answer and question 1 (A) of Note. Held by all classes. The best way of disposing of stocks is by sale to the Government of India.

IV. Cause of smuggling is the difference in price of Opium within and outside the State. Prevalence is hard to estimate. Probably less than it was owing to severe punishments inflicted on detection. The preventive agencies are 4 Excise Inspectors (1 engaged, 3 shortly to be engaged); the whole staff of Customs, the Inspectors and Sub-Inspectors of Police and the Hakims and Naib-Hakims of Zillas. Improvement in the strength of the staff is being made.

V. Purchase from Ghazipur is dependent, first, on the exhaustion of our old stocks, secondly, on the terms offered the State from Ghazipur. We have no experience of Ghazipur Opium.

VI. Cultivation for sale has already been entirely prohibited in the State.

No promise can be given to purchase Opium from Ghazipur, until the position is clearer. If such purchase were made, and Ghazipur became our only source of Opium supply, the advisability and practicability of raising the selling price of opium to the local consumer would require, and receive, full and careful consideration. In any case, sudden, per saltum enhancement would probably be out of the question.

